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**SUBSISTENCE EXPENSES AND MILEAGE ALLOW-
ANCES OF CIVILIAN OFFICERS AND EMPLOYEES
OF THE FEDERAL GOVERNMENT**

**HEARING
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
HOUSE OF REPRESENTATIVES
EIGHTY-FOURTH CONGRESS
FIRST SESSION
ON
H. R. 6295, H. R. 4918, H. R. 4169, and H. R. 3950
BILLS TO AMEND SECTION 3 OF THE TRAVEL EXPENSE
ACT OF 1949, AS AMENDED, TO PROVIDE AN INCREASED
MAXIMUM PER DIEM ALLOWANCE FOR SUBSISTENCE AND
TRAVEL EXPENSES, AND FOR OTHER PURPOSES**

APRIL 26, 1955

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SUBSISTENCE EXPENSES AND MILEAGE ALLOWANCES OF CIVILIAN OFFICERS AND EMPLOYEES OF THE FEDERAL GOVERNMENT

(H. R. 6295, H. R. 4918, H. R. 4169, and H. R. 3950)

TUESDAY, APRIL 26, 1955

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON EXECUTIVE AND
LEGISLATIVE REORGANIZATION OF THE
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D. C.

The subcommittee met, pursuant to call, at 10 a. m., in room 1501, New House Office Building, Hon. William L. Dawson (chairman of the full committee) presiding.

Present: Representatives Dawson, McCormack, Brown of Ohio, Jonas, Fascell, and Kilgore.

Also present: Representative Hoffman; William Pincus, associate general counsel; and Elmer W. Henderson, subcommittee counsel.

The CHAIRMAN. The meeting will now come to order.

The Subcommittee on Executive and Legislative Reorganization of the Committee on Government Operations is considering legislation to increase the maximum per diem allowance for subsistence and travel expenses for Federal employees and those who serve without compensation.

The present maximum per diem rate established by the Travel Expense Act of 1949, which originated in this committee, is \$9 per day, and for those who work without compensation, \$10 per day.

The rate for privately owned automobiles is 7 cents per mile and 4 cents for motorcycles, established by the same act.

During the period since 1949 the committee has been informed that the cost of travel and subsistence has risen, and that the rates prescribed by the act are no longer adequate. Various members have been concerned about this, and the Bureau of the Budget has made specific recommendations on behalf of the President.

H. R. 4918, which embodies the President's views, would raise the per diem rate to \$13 a day for regular employees, and to \$15 for those serving without compensation.

(H. R. 4918 is as follows:)

[H. R. 4918, 84th Cong., 1st sess.]

A BILL To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes

Be it enacted by the House of Representatives of the United States of America in Congress assembled, That section 3 of the Travel Expense Act of 1949 (63 Stat. 166, as amended; 5 U. S. C. 836) is further amended by striking "\$9" and inserting in lieu thereof "\$13"; and by striking the period at the end thereof and adding

the following additional proviso: "*And provided further, That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized in advance of the performance of a trip on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization.*"

SEC. 2. Section 5 of the Administrative Expenses Act of 1946 (60 Stat. 808; 5 U. S. C. 73b-2) is amended by striking "\$10 per diem" and inserting in lieu thereof "\$15 per diem within the limits of the continental United States and, beyond such limits, not to exceed the rates of per diem established by the Director of the Bureau of the Budget pursuant to section 3 of the Travel Expense Act of 1949, as amended (5 U. S. C. 836)".

SEC. 3. The first sentence of section 1823 (a) of title 28, United States Code, is amended by striking the portion "and if travel is made by privately owned automobile mileage at a rate not to exceed 7 cents per mile, together with a per diem allowance not to exceed \$9 in lieu of subsistence" and inserting in lieu thereof "or, if travel is made by privately owned automobile, at a rate not to exceed that prescribed in section 4 of the Travel Expense Act of 1949, together with a per diem allowance in lieu of subsistence not to exceed the rates of per diem as described in, or established pursuant to, section 3 thereof".

The CHAIRMAN. H. R. 4169, introduced by Congressman Chudoff, who is a member of the Government Operations Committee, and H. R. 3950, introduced by Congressman Withrow, would raise the per diem rate for regular employees to \$15 per day, and increase the mileage rate for autos to 12 cents per mile, and for motorcycles to 6 cents per mile.

(H. R. 4169 and H. R. 3950 are as follows:)

[H. R. 4169, 84th Cong., 1st sess.]

A BILL To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Travel Expense Act of 1955".

SEC. 2. Section 3 of the Act of June 9, 1949 (5 U. S. C. 836-837) is amended by striking the figure "\$9" and inserting "\$15" in lieu thereof.

SEC. 3. Section 4 of said Act is amended by striking the figures "4 cents" and "7 cents" and inserting "6 cents" and "12 cents", respectively, in lieu thereof.

SEC. 4. This Act shall take effect no later than thirty days following its enactment.

[H. R. 3950, 84th Cong., 1st sess.]

A BILL To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Travel Expense Act of 1953".

SEC. 2. Section 3 of the Act of June 9, 1949 (5 U. S. C. 836-837) is amended by striking the figure "\$9" and inserting "\$15" in lieu thereof.

SEC. 3. Section 4 of said Act is amended by striking the figures "4 cents" and "7 cents" and inserting "6 cents" and "12 cents", respectively, in lieu thereof.

SEC. 4. This Act shall take effect no later than thirty days following its enactment.

(A clean bill H. R. 6295, reported with amendments—H. Rept. No. 604—follows:)

[Insert the part printed in italic]

[H. R. 6295, 84th Cong., 1st sess.]

A BILL To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Travel Expense Act of 1949 (63 Stat. 166, as amended; 5 U. S. C. 836) is further amended by striking "\$9" and inserting in lieu thereof "\$13"; and by striking the period at the end thereof and adding the following additional proviso: "*And provided further, That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed \$25 for each day in travel status.*"

SEC. 2. Section 5 of the Administrative Expenses Act of 1946 (60 Stat. 808; 5 U. S. C. 73b-2) is amended by striking "\$10 per diem" and inserting in lieu thereof "\$15 per diem within the limits of the continental United States and beyond such limits, not to exceed the rates of per diem established by the Director of the Bureau of the Budget pursuant to section 3 of the Travel Expense Act of 1949, as amended (5 U. S. C. 836)"; and by striking the period at the end thereof and adding the following additional proviso: "*And provided further, That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949 as amended (5 U. S. C. 840) prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed \$25 for each day in travel status.*"

SEC. 3. The first sentence of section 1823 (a) of title 28, United States Code, is amended by striking the portion "and if travel is made by privately owned automobile mileage at a rate not to exceed 7 cents per mile, together with a per diem allowance not to exceed \$9 in lieu of subsistence" and inserting in lieu thereof "or, if travel is made by privately owned automobile, at a rate not to exceed that prescribed in section 4 of the Travel Expense Act of 1949, together with a per diem allowance in lieu of subsistence not to exceed the rates of per diem as described in, or established pursuant to, section 3 thereof".

The CHAIRMAN. The purpose of these hearings is to secure for the committee the necessary information to act on those measures. The Congress wishes to do the fair and just thing for our Federal employees, and does not expect that they should pay out of their own pockets the expenses necessary to carrying out their assignments.

Mr. McCORMACK. May I be recognized for a moment, Mr. Chairman?

The CHAIRMAN. Certainly.

Mr. McCORMACK. I know that the other members of the committee are very happy to hear and to know that this is the birthday anniversary of our distinguished chairman of the committee, for whom we all have not only a strong feeling of friendship and a profound feeling of respect, but a deep feeling of esteem. And I know I speak the sentiments of the other members of the committee and the staff, and I think I might well include those present, in extending to Congressman Dawson our hearty congratulations and our very best wishes for happiness and success in the years to come.

Mr. BROWN. I would like to have the record show that the minority certainly joins in that expression of good will. [Applause.]

The CHAIRMAN. Thank you.

Each member of the subcommittee has been provided with a folder. The first item on your folder is a list of witnesses expected to be heard or who have submitted statements on this matter.

The next is a comparative analysis of the three bills that have been filed. That is followed by copies of the bills themselves.

Next in order you will find in your folder the report of the Office of the President through the Bureau of the Budget, addressed to the Speaker of the House, containing two enclosures concerning the adequacy of travel allowance for the individuals serving without compensation and mileage allowance.

That is followed by the thoughts of the Comptroller General of the United States on these three bills.

Following that is a report of the Treasury Department.

That is followed by the report of the Office of the Assistant Secretary of Defense.

That is followed by the report from the Department of Agriculture, followed by a report from the United States Department of Labor, and a report from the Central Intelligence Agency.

They are followed by a copy of the law of 1949, followed by a statement of United States Code 28, 1723 (a), and United States Code 5, 73 (b) (2), which deals with United States officers and employees, travel expenses of consultants or experts, transportation of persons serving without compensation.

Then it is followed by a copy of the standardized Government travel regulations as put out by the Bureau.

Then there is a statement submitted by Congressman Chudoff, who is not present, and who wishes to give his views through this statement. And if there is no objection, that will be included in the record at this point.

(The statement of Congressman Chudoff is as follows:)

STATEMENT OF HON. EARL CHUDOFF, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF PENNSYLVANIA

The bill H. R. 4169, which I have introduced to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government has, in my opinion, a very worthy objective.

If enacted, it would increase the per diem allowance from the present maximum of \$9 to \$15 a day. It would also permit Federal workers who use their own automobiles or motorcycles on official business to receive reimbursement at the rate of 12 cents instead of the present 7 cents a mile for automobile travel, and 6 cents instead of 4 cents a mile for the use of a privately owned motorcycle.

These increases are long overdue. Prices of everything a person needs and uses have continued to increase since the last increase in these allowances was made in 1949. Some have increased more than others, but few commodities or services have increased during that period in greater proportion than has the cost of travel.

The proposal to increase the per diem allowance from \$9 to \$15 can be substantiated directly on the basis of increased prices of the accommodations and services which the traveler must purchase. It can be defended also on the basis of a deferred need. The \$9 allowance was inadequate when it was established more than 5 years ago. It did not fully reflect the increase in prices up to that time and there is, therefore, a lag in providing a proper adjustment of these rates which must not be allowed to continue.

There are various errors which seem to have crept into the thinking on this subject of travel allowances. There is usually the caution that the sum provided by law should not be too high or employees might squander the Government's money and live lavishly at Government expense. How one can live lavishly at a big-city hotel and obtain food and satisfy other needs on even \$15 a day remains to be explained. In addition, there seems to be the belief that the allowances should represent average amounts which employees would be required to spend. Nothing could be more erroneous. These amounts are maximum amounts and are neither intended to apply to all types of travel under all conditions nor are they so administered by the different Government agencies. They must be established on that basis to provide for travel into the high-price areas and population centers. Averaging the prices on which these allowances are to be based is useful in guiding our estimates of the likely cost of increasing the rates, but they in no wise provide us with a sound basis for limiting the allowances to such averages.

The objective of my bill is to shift the entire burden of travel expenses to the Federal Government where it belongs. It is eminently unfair and discriminatory to pay a Federal employee a salary and then expect him to pay part of the cost of his trips on Government business. He receives the same salary as that paid other employees who do little or no traveling on Government business, and he is therefore unjustly deprived of part of his pay. If there is any fault existing with respect to official travel it can be corrected by proper administration of the law providing such compensation and proper decisions with respect to the need for travel. But in no case should the unwillingness of the Government to pay all the cost shift part of the expense to the employee.

The proposal to raise the per diem allowance to \$15 can be defended on the basis of a direct comparison of costs today with those 5 or 6 years ago. Surveys of hotel expenses have shown that the average cost of a hotel room today is nearly \$8 a day, which means that on many trips to the larger cities a person traveling for the Government will have to pay \$9 or \$10 or more particularly if accommodations happen to be scarce at the time the employee must make the trip. It should be remembered that he has no choice, but must go when he is so directed.

It is well known that food prices have advanced greatly since 1949 and that as a result all hotel and restaurant meals must be priced higher. In addition to the cost of a hotel room, an employee visiting a large city may have to spend \$4 or \$5 a day for his meals. Besides he will find it necessary to spend an additional sum for certain other tips and incidentals which may bring his total cost easily to \$15 or in some cases even more.

The increased cost of providing, maintaining, and operating an automobile or motorcycle has prompted me to include in my bill increases of the amount an employee is paid by way of reimbursement for the use of the vehicle he himself owns. I believe it is only fair in view of the higher cost of new cars and the higher prices for such things as gasoline, tires, mechanical repairs, and insurance. Some of these items have increased nearly 30 percent since 1949, but here again it should be emphasized that the allowance currently effective was inadequate when it was established. The sum provided should also provide for deterioration and depreciation of a vehicle owned by an employee who is required to use it for the benefit of the Government. It is not fair to expect him to wear it out only for the actual cost of operating the automobile or motorcycle, whichever it may be.

It is, Mr. Chairman, my considered opinion, therefore, that an appropriate increase should be made in these allowances so that the employees of our Federal Government will be protected from personal loss. In closing I desire to express my appreciation for the opportunity to make this statement.

The CHAIRMAN. I am going to call upon the first witness, Mr. Donald R. Belcher. He is the Assistant Director of the Bureau of the Budget, and he is representing the Bureau of the Budget of the Office of the President.

Mr. Belcher.

**STATEMENT OF DONALD R. BELCHER, ASSISTANT DIRECTOR,
BUREAU OF THE BUDGET; ACCOMPANIED BY ROY J. NEW-
BOLD AND J. HERBERT WALSH, OFFICE OF MANAGEMENT
AND ORGANIZATION, BUREAU OF THE BUDGET**

Mr. BELCHER. My name is Donald R. Belcher. I am Assistant Director of the Bureau of the Budget. I have with me Mr. Newbold, sitting at my right, and Mr. Walsh, also members of the Bureau of the Budget.

I appreciate the opportunity to appear before your subcommittee to discuss H. R. 3950, H. R. 4169, and H. R. 4918, which provide for increased allowances for civilian employees who travel on official business.

It is generally recognized that the existing maximum per diem travel allowance of \$9 is, in many cases, inadequate to reimburse the traveler for out-of-pocket costs. In his message to the Congress on Federal personnel management, the President stated that a legislative proposal would be submitted for an appropriate increase in the per diem allowance. At the time that message was submitted, information was being gathered on present-day travel costs. After the information was analyzed, recommendations were made to the Congress.

Those recommendations are embodied in H. R. 4918, which provides that the maximum per diem travel allowance be increased from \$9 to \$13; that special provision be made for unusual types of travel where the maximum rate would be much less than the necessary actual expenses incurred; that present mileage allowances remain unchanged; that the maximum per diem allowance for civilians performing work for the Government without compensation be increased from \$10 to \$15; and that the travel rates for civilian employees who travel as witnesses on behalf of the United States be governed by the Travel Expense Act of 1949, as amended, rather than by separate legislation.

H. R. 3950 and H. R. 4169 would increase the maximum per diem allowance from \$9 to \$15, mileage allowance for motorcycles from 4 cents to 6 cents, and mileage allowance for privately owned automobiles or airplanes from 7 cents to 12 cents.

We believe that for the normal run of travel, rates lower than those provided in H. R. 3950 and H. R. 4169 would be adequate. I shall, therefore, direct my discussion to the provisions of H. R. 4918.

Increase in per diem: The first section of H. R. 4918 would amend section 3 of the Travel Expense Act of 1949, as amended. It would increase the maximum per diem allowance from \$9 to \$13 for civilian employees who travel on official business within the limits of the continental United States. The \$13 rate would be comprised of approximately \$7.30 for hotel room; \$4.50 for meals; and \$1.20 for incidental expenses. It is based upon the following considerations.

The hotel accounting firm of Harris, Kerr, Forster & Co. reported in December 1954 that, upon the basis of audit of 375 hotels (located in 185 cities and towns throughout the country) used by businessmen in traveling, the average room rate for a single room during 1954 was \$7.30. It more recently reported that its final analysis for calendar year 1954 shows an average single room rate of \$7.40. The hotel accounting firm of Horwath & Horwath, on the basis of an average

sample of between 360 and 400 hotels located throughout the United States, advised in January 1955 that the average room rate for a single room during 1954 was between \$6.70 and \$6.95.

The amount estimated for meals per day is \$4.50 based upon an allocation of \$1 for breakfast; \$1.25 for luncheon; and \$2.25 for dinner. Both hotel accounting firms report that the price of hotel restaurant meals has increased approximately 20 percent since 1949, at which time the estimated meal cost was \$3.75.

The amount for incidental expenses, averaging \$1.20 per day, is intended to cover such items of expense as tips and fees while traveling; hotel tips; tips to waiters; laundry; cleaning and pressing; telegrams for room reservations; et cetera. These miscellaneous expenses have also increased in recent years. The Bureau of Labor Statistics reports, on the basis of a study of prices in 34 large cities until 1952 and in 46 cities since that time, that the cost of dry cleaning and pressing has increased 14 percent between June 1949 and December 15, 1954; and that the cost of laundry has increased 18.7 percent during the same period. In view of the higher costs of meals, the amounts for tips have correspondingly increased.

Some Federal employees keep actual expense records of their travel costs. A few agencies were asked to submit examples of actual expenses incurred by employees. Illustrations of such information are as follows:

1. Expenses incurred by an employee of the Commodity Stabilization Service, Department of Agriculture, in a 20-day trip to Portland, Denver, and Cincinnati averaged \$12.68 a day in Portland, \$13.65 in Denver, and \$11.60 in Cincinnati.

2. Expenses incurred by an employee of the Atomic Energy Commission in a 14-day trip to San Francisco averaged \$13.62 a day.

3. Expenses incurred by an employee of the Bureau of Public Debt, Treasury Department, in 2 trips involving 15½ days to Philadelphia; Columbia, S. C.; Jackson, Miss.; and New Orleans averaged \$13.06 a day.

We have only a limited amount of information on actual travel expenses incurred by employees in private industry. Examples are as follows:

1. The local office of a large corporation indicated average travel costs as follows:

	<i>Per day</i>
Hotel.....	\$8. 00-\$8. 50
Meals.....	5. 75- 7. 75
Tips.....	1. 00
Average per day.....	14. 75-17. 25

2. Expenses of a sales representative of another corporation traveling in the 4-State area of Maryland, Virginia, and North and South Carolina during the 6-month period October 1, 1954, to March 31, 1955, involving 45 days of travel, are as follows:

Hotel.....	\$251. 25
Meals.....	314. 15
Valet, tips, etc.....	82. 80
Total.....	648. 82
Average per day.....	14. 40

3. A sales representative of another company reported expenses for a 1-week period as follows:

Baltimore:

Apr. 4, 1955-----	\$12. 90
Apr. 5-----	12. 70
Washington, D. C., Apr. 6-----	14. 45
Richmond, Va., Apr. 7-----	12. 10
Roanoke, Va., Apr. 8-----	12. 20
Danville, Va., Apr. 9-----	12. 20
Average per day-----	12. 75

In considering the rate of \$13 per diem, it must be remembered that this would be the maximum rate. The Standardized Government Travel Regulations will continue to emphasize the fact that the departments and establishments are responsible for seeing to it that travel orders authorize only such per diem allowances within the maximum rate as are justified by the circumstances surrounding the travel.

Per diem rates on a graduated scale are authorized by agencies to meet necessary expenses, depending on the type of travel involved and the length of time spent at individual duty stations. For example, it is estimated that during the present fiscal year, 1,187,632 days of travel will be performed in the Department of Agriculture. Of this total, approximately 908,000 travel days or 76.5 percent will be authorized at per diem rates below the maximum, ranging from \$8 to \$5 and below. In the Department of Interior approximately 50 percent of the estimated travel days for the fiscal year 1956 will be at various rates below the maximum ranging from \$3 to \$8. In the Department of Commerce, 33 percent of the travel is at per diem rates ranging from \$3 to \$8. An analysis of 2,800 civilian-travel vouchers made by the Air Force in 1954 indicated an average per diem rate of \$8.14. Veterans' Administration estimates, for fiscal year 1956, 290,115 days at \$9 per day, 2,500 days at \$6, and 2,500 days at \$4.

Questions have been raised from time to time as to the grades of Federal employees who normally travel. Examples are as follows:

1. The Department of Agriculture estimated that over 90 percent of the days traveled in the present fiscal year would be by employees in grades GS-12 and below, over one-half of which would be in grades GS-9 and below.

2. The Treasury Department estimates that approximately 60 percent of the employees required to travel are at grades GS-9 and below, nearly half of which are at the GS-7 level.

In view of the facts discussed above, it would appear that \$13 is a reasonable maximum per diem rate with the understanding that agencies will continue to be responsible for establishing such rates below the maximum as are justified by the circumstances surrounding the travel.

Disbursement of actual expenses for unusual travel: The provision in the first section of the bill, authorizing reimbursement on an actual expense basis in lieu of the per diem basis, is proposed for use in a very limited number of situations. Occasionally employees are required to travel on assignments which necessitate personal expenditures substantially in excess of the reimbursement which would be obtained at the \$13 per diem rate. Attendance at meetings or conventions of

private business or industry, which are held at expensive hotels is an example.

Government representatives attending these meetings in furtherance of their official duties often have no choice but to stay at the convention hotel where even the cheapest rooms may exceed the entire per diem. Likewise these representatives are required to take their meals at these hotels. A similar situation where expensive hotels must be used arises at times when Secret Service agents travel with the President and must stay at the hotel in which he stays.

Likewise, unusually high rates are encountered from time to time when an employee must travel at a particular time to a city when only the more expensive hotel rooms are available due to conventions. As set forth in the bill, this type of travel would be governed by regulations of the Director of the Bureau of the Budget and under conditions prescribed by department heads. Also a maximum allowable amount of reimbursement would be determined in advance of the trip and would be set forth in the order directing the employee's travel. The employee would be reimbursed for his actual and necessary expenses not in excess of the maximum stated in his travel order.

We believe that, under proper controls, reimbursement on an actual expense basis in lieu of the per diem basis is desirable for the limited number of cases where the maximum per diem rate would not nearly compensate the employee for his necessary expenses.

Individuals serving without compensation: Section 2 of the bill proposes that the maximum per diem travel allowance for civilians performing work for the Government without compensation be increased from \$10 to \$15.

The existing maximum per diem rate of \$10 is prescribed in section 5 of the Administrative Expenses Act of 1946 for individuals serving the Government without compensation and applies while they are away from home or regular places of business. Since these individuals generally serve as consultants for short periods of time and serve without receiving any compensation, a higher maximum rate of per diem than that prescribed for regular employees has been allowed in the past. In view thereof, the maximum rate of \$15 is recommended for these individuals.

Section 5 of the Administrative Expenses Act of 1946 provides that a rate higher than that prescribed therein may be authorized in specific legislation. The rate of \$15 was provided in the Defense Production Act of 1950. The 83d Congress authorized the \$15 rate for members of the President's Advisory Committee on Government Organization; members of the National Capital Planning Commission who serve without compensation; and individuals serving without compensation in an advisory capacity under the item "International contingencies" in the Department of State Appropriation Acts for the fiscal years 1954 and 1955.

A per diem rate not in excess of \$25 has been provided for individuals serving without compensation on advisory committees under title VI of the Housing Act of 1949 and under the Housing Act of 1954. The 83d Congress also increased to \$15 the per diem rate for Federal judges and justices which had been established at \$10 in 1940. Since rates of \$15 and above have been authorized by the Congress under other acts, we believe that individuals subject to the Administrative Expenses Act of 1946, namely, those serving without compensation,

should be reimbursed for travel expenses at the rate of \$15 per day. We estimate a total of not more than 17,000 travel days in fiscal year 1956 by persons serving without compensation, which would represent an increase in travel costs of \$85,000 under H. R. 4918.

Consolidation of travel authority: Section 3 of the bill would amend section 1823 (a) of title 28, United States Code. This would bring the travel rates for civilian employees when traveling as witnesses on behalf of the United States under the Travel Expense Act instead of continuing them under separate legislation. The Department of Justice suggested this change. The rates in both acts are now identical. The proposed amendment, however, would not make the proposed reimbursement of unusual expenses on an actual expense basis applicable to travel of employees to serve as witnesses. The existing authority of the Attorney General to issue regulations relating to this travel, as contained in section 1823 (a), would not be changed by this amendment.

Mileage allowances: H. R. 4918 does not propose any change in the mileage allowances authorized to be paid to Government employees for use of their privately owned motor vehicles while traveling on official business. Information at hand does not indicate a need for change in such allowances.

The American Automobile Association in its Information Bulletin No. 92 of August 4, 1954, reported on the practice of private business in compensating their employees for use of personal cars on company business. The report contains a listing of flat mileage allowances used by private business firms as compiled by the Dartnell Corp., Chicago, Ill. Of the total firms covered by the Dartnell survey, 28 percent reimbursed employees for use of their automobiles at a rate less than 7 cents a mile; 45 percent, at the 7-cent rate; 5 percent, between 7 cents and 8 cents; 16 percent, at 8 cents; 3 percent, at 9 cents; and 3 percent, at the 10-cent rate. The weighted average allowance as reported by Dartnell was 7.01 cents.

More recent information published by the AAA in their Information Bulletin No. 93 of March 22, 1955, gives a breakdown of cost figures for the operation of an automobile as prepared by Runzheimer & Co., Chicago cost accounting firm. The breakdown for a postwar model car in the \$2,000 price class, driven up to 18,000 miles per year, shows that variable costs (gasoline, oil, maintenance, and tires) average 3.54 cents per mile while the fixed costs (insurance, license fees, depreciation) average about \$1.65 per day. On a mileage basis for the entire year the total cost to a car owner would be approximately 6.86 cents per mile. This amount for a comparable car driven only approximately 10,000 miles a year, was given as 9.52 cents per mile. These rates, of course, vary with the mileage driven, the class of car, and the type of driving conditions generally encountered by the individual during a year, whether in mountainous or flat country or in congested metropolitan centers or rural areas.

The authorization contained in section 4 of the Travel Expense Act of 1949 for employees to use privately owned motorcycles, automobiles, or airplanes on official business with reimbursement on a mileage basis is limited in scope. It applies only when their use is authorized or approved as more advantageous to the Government than the use of common carrier, except that advantage need not be shown where reimbursement is limited to the cost of common carrier

and the amount of per diem the employee would have received if common carrier facilities were used. Thus, reimbursement on a mileage basis, not to exceed 7 cents per mile, in lieu of actual transportation expenses and without regard to common-carrier costs, is generally limited to trips where common-carrier facilities are not available, such as in rural travel or where the employee-driver is accompanied by other employees, all on official business.

Estimated cost: It is difficult to estimate precisely the additional cost to the Government of the bill. The increase will result largely from the graduated scale of rates which will be used between the present \$9 maximum and the proposed \$13 maximum in those cases where \$9 is now inadequate.

For the fiscal year 1956 it is estimated that the total travel costs under the Travel Expense Act of 1949, as amended, for civilian travel within the continental United States will amount to about \$174 million at present travel rates. Of this amount it is estimated that approximately 50 percent will represent subsistence expenses covered by the per diem rate. This 50-percent figure was derived from estimates submitted by 15 of the major agencies which involve 90 percent of the travel. The estimates per diem part of total travel costs as furnished by the individual agencies ranged from 32 to 70 percent with an average for all agencies of 50 percent.

On the basis of this information and agency estimates, it is believed that the total additional cost of H. R. 4918 will not exceed a maximum of \$30 million a year and its actual cost may be several million under this figure.

The Bureau of the Budget favors enactment of H. R. 4918.

I thank you for your attention and would again like to express my appreciation for the opportunity to appear before you.

The CHAIRMAN. Mr. McCormack.

Mr. BROWN. Would the gentleman yield one moment?

Mr. McCORMACK. Yes.

Mr. BROWN. Mr. Chairman and members of the committee, I regret very much that I am going to have to leave, because we have a very important committee meeting on rules this morning, and I have tried to divide my time between the two meetings.

However, I would like to state that I favor this measure by Mr. Dawson, H. R. 4918, very much. And I respectfully request the gentleman from North Carolina, Mr. Jonas, to act as my proxy, and to cast a favorable vote for the bill at the proper time, with the consent of the committee.

The CHAIRMAN. Would you like to make any statement?

Mr. BROWN. No; I think it is very clear. I have engaged in study on some other problems along this line, and I think H. R. 4918 is a reasonable solution to the problem which confronts us. I think something has to be done about it, and it certainly doesn't give any of the taxpayer's money away. I don't think anybody in the Government service is going to get rich off of any arrangement of this kind. I think it is a proper approach to the whole problem. And, therefore, I want to cast my vote on it.

The CHAIRMAN. Would you care to state your views as to whether the maximum should be \$13 for all?

Mr. BROWN. No. I think you have some situations, Mr. Chairman, where you must go above the \$13 maximum. Now, as I understand

the present law, if the expense is less than \$13 in certain areas per day, why, then, they can be reimbursed only for that which they have actually expended.

I have had personal experience bearing on this situation. I went on an assignment for our Government into some foreign countries where I was limited, I think, under the law to \$13, or something like that, and the cheapest room I could get in certain hotels cost \$20 in American money. So it did not pay off very well.

I wound up my assignment \$400 or \$500 in the hole. And I am sure that many other persons who have attempted to serve the Government in different capacities have encountered the same situation.

The CHAIRMAN. I wanted your views on that, because the other bill filed by the Congressman sets a maximum of \$15 for all employees, whether regular or not.

Mr. BROWN. I believe you have covered that under section II here, Mr. Chairman. I would favor the content of your measure.

The CHAIRMAN. Thank you.

Mr. BROWN. And now, if I may be excused, I have to leave.

The CHAIRMAN. Thank you for your presence.

Mr. McCORMACK?

Mr. McCORMACK. Mr. Belcher, you have skimmed it pretty close on a \$13 maximum.

Mr. BELCHER. It seemed to me that \$13 was all that we could support on the basis of the figures.

Mr. McCORMACK. Would not the same apply to the \$15 maximum in the other cases? You are referring to men who are on advisory boards and serving in other similar capacities.

Mr. BELCHER. I would say that \$15 for the consultant serving without compensation is not overgenerous. But it seemed to me we had a good deal of precedent for the \$15 in other legislation, and it was a reasonable figure to set at this time.

Mr. McCORMACK. I am not raising the question of it being unreasonable; I was just asking if you hadn't sort of skimmed it rather close.

Mr. BELCHER. We have tried to hold it down to something that we could be sure was justified.

Mr. McCORMACK. You wanted to see the Federal employees and the others who are giving their part time to the Federal Government at least reimbursed for their actual expenses?

Mr. BELCHER. Yes; on the assumption that they are reasonable.

Mr. McCORMACK. I can see where there may be some special situations, but based on my own experience, it would seem to me that you are skimming it awfully close. Would you object to an increase from \$13 to \$15, and the other one to \$17.50?

Mr. BELCHER. Well, I am not prepared to support them. My difficulty is that it seemed to me that figures of that size would be on the generous side. I am not going to argue very strongly about it, because it is difficult to pinpoint this thing down and arrive at exact conclusions.

Mr. McCORMACK. That is true. But I can see where those cases within the maximum—there are three types of cases: There is one clearly less than a maximum, then there are cases that even under this restriction will be above the maximum. And then, there is the twilight zone.

Mr. BELCHER. That is right.

Mr. McCORMACK. Are you changing this \$25 limit for the individual serving without compensation on advisory committees, under title V of the Housing Act of 1949 and the Housing Act of 1954?

Mr. BELCHER. We are not now proposing a change, because that was enacted in specific legislation by the Congress for good and sufficient reasons, and we haven't questioned that.

Mr. McCORMACK. That is all.

The CHAIRMAN. Mr. Kilgore, do you have any questions?

Mr. KILGORE. No questions.

The CHAIRMAN. Mr. Fascell?

Mr. FASCELL. No questions, Mr. Chairman. Thank you.

The CHAIRMAN. Do you have any questions, Mr. Jonas?

Mr. JONAS. I believe not, Mr. Chairman.

The CHAIRMAN. Mr. Belcher, do you not think that the Government employees ought to have the same protection for their expenses as those who serve without compensation, since it is merely a maximum and you can make your regulations to provide circumstances under which they would not receive a maximum?

Mr. BELCHER. Well, it seems to me, in my own thinking, that the case of men serving without compensation may be a little different. They are called in only on special occasions, and their length of service is short.

The CHAIRMAN. Well, they would be protected anyway; you are giving them \$15.

Mr. BELCHER. Yes.

The CHAIRMAN. I am talking about the ordinary Federal employee. Don't you think he ought to be protected for that extra \$2? You don't have to pay it to him anywhere except where the circumstances warrant it. Then what would be the objection to having a flat \$15 per diem?

Mr. BELCHER. It seemed to me that \$13 was an adequate figure, based on such figures as we have been able to accumulate.

The CHAIRMAN. Suppose one of your Federal employees has to spend more than that; have you provided to meet his expenses?

Mr. BELCHER. In those selected cases where in advance of the trip it is evident that the expenses are going to and beyond that, then one provision of your bill would provide that a department head can authorize \$17 or \$20, or whatever you think is appropriate.

The CHAIRMAN. How do you determine in advance of this trip that there is a convention in that town, and that he cannot get accommodations until he gets there?

Mr. BELCHER. I don't know as you always can. In many cases the Government employees are invited because of the convention.

The CHAIRMAN. Don't you think in that event you ought to have the means to protect that Government employee at least \$2 worth?

Mr. BELCHER. Again, I am not going to argue too strongly against \$15, sir.

The CHAIRMAN. It is not that you are going to argue too strongly against it; we are searching here to try to find what is right and fair and just for our Federal employees. And, frankly, I can't see any reason why you should discriminate against them by giving them a maximum of only \$13, and giving another man a maximum of \$15.

When you have the power to determine the circumstances under which he is to get the maximum, then you can't lose.

Mr. BELCHER. I understand.

The CHAIRMAN. But you can protect a Government employee in the performance of his duty. I don't think he should be called upon to spend his own money. And from my experience, Government employees are very loyal to the Government on their assignments, and the Government ought to be as loyal to them. I don't think we ought to penny-pinch with them.

As representing the Bureau of the Budget and the Office of the President, you do not see any good reason why the Government can't protect itself if the maximum for Federal employees was raised from \$13 to \$15?

Mr. BELCHER. I would be quite certain the Government could protect itself by the regulations put out by the Bureau and administered by the agency heads.

The CHAIRMAN. In the event a Federal employee should spend more than the maximum, can he deduct it from his income tax?

Mr. BELCHER. Yes. I am sure they do, those who keep an accurate record of their expenses, just as an employee in a private corporation.

The CHAIRMAN. Then they did make a little provision for him to get it back?

Mr. BELCHER. Yes.

The CHAIRMAN. I feel we should protect him to the extent of that \$2.

Mr. McCORMACK. Does the Bureau of the Budget now prescribe regulations under the existing law?

Mr. BELCHER. Yes.

Mr. McCORMACK. With the exception of the Department of Justice?

Mr. BELCHER. That is correct; under this act.

Mr. McCORMACK. I notice in section II which, of course, relates to those who are contributing their services part time, and under other unusual conditions, that you haven't got that proviso that you have relating to the Federal employees where, due to unusual circumstances of a travel assignment within the limit, and so forth, the maximum of \$15 could be increased.

Mr. BELCHER. No, we have not.

Mr. McCORMACK. Would you have any objections to that also being included in section II, which might give you flexibility that would come in handy sometimes?

Mr. BELCHER. The flexibility might be convenient. But it seems to me the demonstrated requirement, as I was able to see it, is that.

Mr. McCORMACK. We clearly understand your position; you are up here carrying out the instructions of the Bureau of the Budget. But there is no reason why, as the chairman says, within the \$15 limit for the maximum of the Federal employees, those permanently employed, why that could not be handled by regulation and meet the unusual cases where there would be a legitimate expense in excess of \$13, between \$15.

Mr. BELCHER. That could be.

Mr. McCORMACK. I can see the differential, not with respect to any class situation, but I can see the economic conditions confronting

these two groups, Government employees and, say, businessmen or professional men called down to advise in some advisory capacity.

It seems to me—just exploring, without committing myself to either proposition that I addressed questions to you about—that section II might be increased to \$17.50, with that additional proviso.

But in any event, you have no objection to the proviso being made a part of section II?

Mr. BELCHER. I am not taking a position on that. Our position has been expressed.

The CHAIRMAN. You do not recommend an increase in the mileage?

Mr. BELCHER. That is correct.

The CHAIRMAN. Do you think that the estimates made at the time that the mileage was set, that now exist * * * do you think it is more expensive to operate an automobile now than then?

Mr. BELCHER. Yes, I am sure that it is more expensive to operate an automobile today than it was then.

The CHAIRMAN. Then why not make some allowance for it? If you were right then, you are wrong now.

Mr. BELCHER. Because, having made the survey of such figures as are available, and finding the almost predominating rate allowed by private business at 7 cents, it seemed to me that we weren't justified in going beyond that point. We assumed that those rates were set on the basis of experience by the companies, and we thought we could very well afford to stand on the 7-cent rate here for that reason.

The CHAIRMAN. Your rate does not include insurance. Does it take into consideration that the Government doesn't have to pay insurance, while the individuals do have to pay insurance?

Mr. BELCHER. Of course, the 7 cents is more than the direct out-of-pocket cost for gas and oil and wear of tires and ordinary maintenance; obviously 7 cents is in excess of that.

Now, the difference between actual out-of-pocket costs and the 7 cents would go to reimburse, to the extent that it does, for depreciation and insurance and license fees.

Now, of course, to spread those on a mileage basis becomes awfully difficult, because you can lock the car in the garage and still have these costs go on. If you drive 10,000 miles a year, the cost is at one rate; if you drive 30,000 miles a year, the cost is at a different rate. The difficulty is to pinpoint the costs per mile for insurance fees and license fees, and so forth.

The CHAIRMAN. Thank you very much, Mr. Belcher. You have been of inestimable service to us.

Mr. BELCHER. Thank you, sir.

The CHAIRMAN. Do your associates wish to make a statement?

Mr. BELCHER. They do not.

The CHAIRMAN. Thank you.

Mr. Philip Young.

STATEMENT OF PHILIP YOUNG, CHAIRMAN, CIVIL SERVICE COMMISSION

The CHAIRMAN. Will you identify yourself for the record?

Mr. YOUNG. Mr. Chairman, I am Philip Young, Chairman of the United States Civil Service Commission.

I have a short prepared statement in support of H. R. 4918.

The CHAIRMAN. Proceed.

Mr. YOUNG. Mr. Chairman, I am glad to have this opportunity to give you and the members of this committee the views of the Civil Service Commission on pending legislation to increase per diem allowances for Federal civilian employees.

In his January message to the Congress on Federal personnel management, the President stated that recommendations for an appropriate increase in the per diem rate would soon be submitted to the Congress. These recommendations have been submitted by the administration, and would be carried out by H. R. 4918 which this committee has under consideration.

The present maximum travel per diem allowance of \$9 was set in 1949. Since then, the costs of lodging, meals, and incidental expenses have increased substantially, and the maximum per diem is not adequate in many cases to cover necessary travel expenses. This means that employees must pay part of their official travel expenses from their own pockets or use second-rate accommodations.

As stated by the President in his message, it is not fair to ask Government employees to pay part of their official travel expenses from their personal funds. Further, I believe that employees who are representing their Government on official business should have proper accommodations, comparable to the accommodations used by those with whom they meet and do business.

Per diem rates for salaried employees and for consultants and others working without pay constitute a significant feature of Government personnel practice. The Civil Service Commission believes that adequate provision for payment of employees' official travel and subsistence expenses is an essential step in the continued improvement of the Federal personnel system.

H. R. 4918 would bring about three major changes in present per diem allowances. The specific dollar rates proposed were developed by the Bureau of the Budget on the basis of recent studies of businessmen's traveling expenses made by hotel accounting firms, and price studies made by the Bureau of Labor Statistics.

1. The maximum per diem travel allowance would be increased from \$9 to \$13 for regular civilian employees who travel on official business in the continental United States. The Standardized Government Travel Regulations will continue to emphasize that agencies are responsible for authorizing only that allowance which is justified by the specific travel conditions involved. Agencies are to take care to prevent the fixing of any per diem allowance over the minimum required to meet necessary travel expenses.

2. In addition to the usual travel, employees occasionally are officially requested to travel on special assignments which necessitate personal expenditures well in excess of the maximum per diem rate. This now involves direct out-of-pocket expense to the employee, since there is no authority for the Government to reimburse him for expenses in excess of the maximum per diem rate. The bill would authorize Government reimbursement of employees on an actual expense basis, instead of the per diem basis, in such instances.

This provision would be used in only a limited number of cases, such as attendance at private business conventions, or travel to disaster areas, where unusually high travel and subsistence expenses are un-

avoidable. The bill specifies that this type of travel would be governed by Budget Bureau regulations, and would be performed under conditions set by agency heads. A maximum allowable amount of reimbursement would be stated in the travel order.

3. The maximum per diem rate of \$10 now prescribed for persons serving the Government without compensation while they are away from home or regular place of business, like the travel per diem for salaried employees, is inadequate and should be brought up to date. The bill would increase from \$10 to \$15 the general maximum per diem rate for such personnel when traveling within the continental United States. This would accord with the present practice of granting these individuals a higher maximum per diem than is granted regular employees because they serve without pay and generally for short periods of time. The proposed rate would be consistent with the \$15 maximum rate now authorized under special legislation for members of certain Government advisory committees, and the per diem rate set by the 83d Congress for Federal judges and justices.

No change is proposed in the mileage allowances authorized to be paid Government employees for use of their privately owned motor vehicles while traveling on official business. Recent surveys of private business practice indicate that no increase is warranted. Information obtained by the Budget Bureau shows that the present rate of 7 cents per mile is still the most commonly used flat mileage rate in private industry.

H. R. 4918 would carry out the administration's recommendations for appropriate increases in present per diem rates. The Commission urges its enactment in the interests of further improvement in employment conditions in the Federal civilian career service.

This concludes my brief statement, Mr. Chairman. I will, of course, be pleased to answer any questions which you and the other committee members might wish to ask.

The CHAIRMAN. Mr. Jonas.

Mr. JONAS. I don't believe I have any questions to ask Mr. Young.

The CHAIRMAN. Mr. McCormack.

Mr. McCORMACK. Mr. Young, you heard my question of Mr. Belcher about section 2, about putting that proviso in there. What would be your viewpoint on that?

Mr. YOUNG. I am always in favor, Mr. McCormack, of a maximum amount of management flexibility as long as it is comparable with responsibility.

Mr. McCORMACK. Well, we assume that the responsibility would justify that.

Mr. YOUNG. Certainly, sir.

Mr. McCORMACK. So you have no objection to that amendment being put into section 2?

Mr. YOUNG. I would have no objection.

Mr. McCORMACK. What are your views on increasing the maximum from \$13 to \$15, if you have any?

Mr. YOUNG. I would say my reaction is about the same as Mr. Belcher's.

Mr. McCORMACK. You wouldn't approve it, but you would not oppose it?

Mr. YOUNG. Well, the \$13 rate is what we considered to be a fair estimate based upon the surveys that were made. If the Congress desires to raise it to \$15, certainly I would impose no objection.

Mr. McCORMACK. What about the \$17.50 in the case of advisers and those coming down here part-time, usually without compensation?

Mr. YOUNG. I was greatly impressed with the chairman's comment on that particular point in reply to Mr. Belcher's remarks as to the extent to which there should be a differentiation between the two.

Mr. McCORMACK. That is all.

The CHAIRMAN. Mr. Kilgore?

Mr. KILGORE. I have no questions.

The CHAIRMAN. Mr. Fascell.

Mr. FASCELL. I would just like to point out that in discussing this \$17.50 rate we want to take into consideration the fact that we have got special legislation for \$15 at other places.

The CHAIRMAN. Your contention is that we would be raising it above the limit set by other legislation in certain cases?

Mr. FASCELL. In other words, it might be wise to consider a \$15 maximum, because you have got special legislation now providing for \$15, whereas if you take these two provisions in the bill and set one at \$15 and the other at \$17.50 you would have further discrimination.

The CHAIRMAN. I was wondering about the circumstances under which by special legislation we made it \$25 in the housing situation, but not knowing all the facts surrounding it I will keep quiet.

Any other questions to be asked of Mr. Young?

Thank you so much.

Mr. YOUNG. Thank you very much, Mr. Chairman.

The CHAIRMAN. Mr. John Martiny.

**STATEMENT OF JOHN H. MARTINY, LEGISLATIVE ATTORNEY,
GENERAL ACCOUNTING OFFICE; ACCOMPANIED BY HENRY
BARCLAY AND THOMAS DOWNES, ATTORNEYS, OFFICE OF THE
GENERAL COUNSEL**

The CHAIRMAN. Will you identify yourself for the record, and also identify the gentlemen with you.

Mr. MARTINY. Mr. Chairman, I am John H. Martiny, legislative attorney, Office of the Comptroller General. I have with me Mr. Henry Barclay and Mr. Thomas Downes, attorneys in the Office of the General Counsel.

Mr. Chairman and members of the committee, the General Accounting Office appreciates the invitation of this subcommittee to appear before you and present our views and furnish any information we may have on H. R. 3950, H. R. 4169, and H. R. 4918.

H. R. 3950 and H. R. 4169 have identical provisions. Each bill would amend sections 3 and 4 of the Travel Expense Act of 1949 (1) to increase the maximum rate payable to Government employees for per diem allowance from \$9 to \$15 and (2) to increase the maximum mileage rates for the use of privately owned motorcycles and automobiles from 4 and 7 cents per mile to 6 and 12 cents respectively.

Section 1 of H. R. 4918 would increase the maximum per diem allowance to \$13 but does not propose any increase in the mileage rates.

The information available to the General Accounting Office, based solely upon the experience of our own employees, furnishes us ample basis for recommending that the maximum per diem rate be increased to at least \$12 but does not furnish any basis for favoring the \$15 rate. Also, we have no information to support any recommendation relative to an increase in the mileage rates. Accordingly, we will address our comments to H. R. 4918.

The first part of section 1 of H. R. 4918 would amend section 3 of the Travel Expense Act of 1949, to increase the maximum per diem rate to \$13.

We asked some of our employees who frequently perform travel for information as to actual daily expenses incurred. Six investigators from the Washington office reported an average daily cost of approximately \$13.75 while in a travel status in the larger cities, such as New York, San Francisco, Chicago, Denver and Cleveland. These costs included hotel, meals, valet service and nominal tips. In return the employees received an allowance of \$9 per day.

In a recent trip to Indianapolis, by our Chief, Budget and Finance Branch his average cost per day for a 3-day stay was \$13.25. The hotel room alone was \$8.50, leaving only 50 cents of the maximum \$9 rate for meals, tips, and other items.

A member of our Accounting Systems Division reports that on a recent trip to Philadelphia, the hotel room was \$7 for his share of a double room, meals averaged \$4 a day and miscellaneous expenses \$2.50, making a total of \$13.50 for which was paid an allowance of \$9.

Six employees of our Division of Audits report an average daily cost of \$13 or more.

Accordingly, it is our recommendation that the maximum rate be established at either \$12 or \$13 whichever the overall facts presented to this subcommittee may warrant.

Mr. McCORMACK. On your own testimony there should be at least the minimum of \$13.

Mr. MARTINY. Most of these actual expenses will support that. But I have in mind that the particular employee that is traveling here is generally of the top level of employees.

Mr. McCORMACK. Of course, if they need a lesser amount that is already provided for and that can be taken care of. But when you are talking about these men, you are talking about those that are going over the maximum, aren't you?

Mr. MARTINY. In some instances, yes.

Mr. McCORMACK. In all these instances you give us it is yes, isn't it?

Mr. MARTINY. All except the auditors, that is true.

Mr. McCORMACK. It seemed to me that you made a maximum of of at least \$13, and you are hitting close to \$15. But go ahead.

Mr. MARTINY. The purpose of H. R. 4918 is to permit the heads of departments and agencies, who authorizes the performance of official travel, to allow, in justifiable cases, payment of per diem up to \$13 per day in lieu of the present maximum rate of \$9. It is expected that a maximum of \$13 will be allowed only when departments and agencies are fully satisfied that such allowance is actually needed to cover expenses of Government employees performing travel on official business away from their designated posts of duty. The maximum amount authorized by this bill is not mandatory but is intended to provide a flexible method of reimbursing Government

employees for out-of-pocket expenses incurred when they are required to travel in high-cost areas.

This policy is recognized in paragraph 45 of the Standardized Government Travel Regulations which places the responsibility on each agency for authorizing only such per diem allowances as are justified to meet the necessary authorized expenses for each trip.

The policy of the General Accounting Office is set forth in an order of the Comptroller General as follows:

I expect each employee of the General Accounting Office who authorizes or directs travel; who performs travel; or who reviews, certifies, or otherwise authorizes payments in reimbursement of travel expenses, to exercise due care and practice economy in all matters involving travel costs. However, consistent with such care and economy, it is my direction that no officer or employee of the General Accounting Office be put to personal expense because of his performance of properly authorized travel, if it can be avoided under existing laws, regulations, and a general program for administering per diem allowances in lieu of actual travel expenses.

Mr. FASCELL. May I interrupt you at that point? Will you explain to me how you propose to follow out that particular statement if the expense incurred by an employee is more than the maximum provided by law?

Mr. MARTINY. The only alternative under the legislation that is proposed, if the actual expense is more than the maximum per diem, would be to bring the employee under the proviso which is proposed in H. R. 4918, and where there would be unusual and extraordinary circumstances, then we hope to be able to be authorized to reimburse this employee for the expenses that he actually incurred in excess of that maximum.

Mr. FASCELL. But isn't that based on the presupposition that an employee would never exceed the maximum except in unusual circumstances?

Mr. MARTINY. That is true. The policy that we were required to adopt by the Comptroller General was to recommend either a \$12 or \$13 rate. While all of the statements we got from our employees are merely statements of their actual expenses, those statements do show that the average would be between \$12 and \$13, or maybe even \$14, and we felt that in furtherance of trying to economize or hold it to a reasonable level that we should recommend either a \$12 or a \$13 rate.

The CHAIRMAN. Mr. Jonas.

Mr. JONAS. No questions.

Mr. McCORMACK. You wouldn't object to \$15 would you?

Mr. MARTINY. I am not authorized to recommend \$15, and I do not know whether the Comptroller would object to \$15.

Mr. McCORMACK. But will you answer from your own personal opinion? We are getting too much of this controlled thought. I would like to get a little independence.

Mr. MARTINY. I would not recommend a \$15 rate.

Mr. McCORMACK. Personally?

Mr. MARTINY. No, I don't think it is justified by the evidence I have seen before me.

Mr. McCORMACK. With the authority by regulation to control it within that?

Mr. MARTINY. That is one of the reasons we will not recommend the \$15 rate, because I believe that the majority or the highest per-

centage of those who travel intermittently will be authorized the maximum rate whether it is \$15, \$20, or \$13.

Mr. FASCELL. You lost me there. In other words, the regulation doesn't mean anything.

Mr. MARTINY. I believe the regulation means something—

Mr. FASCELL. But nobody is going to follow it.

Mr. MARTINY. We have such a regulation, and we follow it in the General Accounting Office. But we do find that a large percentage of them will authorize the maximum automatically.

The CHAIRMAN. Mr. Jonas.

Mr. JONAS. I was going to ask the witness to refresh my memory. My recollection is that in the illustrations you used, to get above \$13 you had \$2.75 allotted to miscellaneous expenses. Am I correct in that or not?

Mr. MARTINY. That is right in one of the cases.

Mr. JONAS. That seems a little high for incidentals to me.

Mr. McCORMACK. That is one member, a member of the Accounting Systems Division.

Mr. JONAS. I am just quoting it from memory.

Mr. MARTINY. That would cover your valet service, your tips.

Mr. JONAS. May I interrupt right there. Is that a proper charge against the Government, valet service? If he was at home he would have to have his pants pressed and pay for it himself.

Mr. MARTINY. Any unusual expense—this \$9 per diem rate is intended for cover any expense that the man might incur as a result of his official travel. And if you will allow me, I would like to read for you the definition of the per diem allowance. This is from paragraph 44 of the Standardized Government Travel Regulations:

The per diem in lieu of subsistence expenses will be held to include all charges for meals, lodgings, personal use of room during daytime, baths, all fees and tips to waiters, porters, baggage men, bell boys, hotel maids, dining room stewards and others on vessels, and hotel servants in foreign countries, telegrams and telephone calls reserving hotel accommodations, laundry, cleaning and pressing of clothing, fans and fires in rooms; transportation between places of lodgings or where meals are taken and places of duty.

In other words, it covers practically everything that the man would have to incur because he was away from his home.

Mr. FASCELL. Except for one very important item, good cigars.

Mr. MARTINY. I believe it would not cover that.

The CHAIRMAN. I would like to say this, that a man who travels will have to put his clothing in the suitcase, and he would have to have them pressed when he got to his destination in order to represent our Government properly. Valet service is a necessity.

Mr. FASCELL. May I inquire a little bit further on this point. In other words, as I understand your feeling on this matter, you think the maximum should not be increased beyond the amount recommended, because although the regulations of the agency would allow only those actual costs that may be necessary, as a matter of fact they would allow automatically the full amount.

Mr. MARTINY. In some cases, yes. I wouldn't like to criticize the agencies.

Mr. FASCELL. I am not interpreting it that way, that you are criticizing them. You are expressing a fear that the program would

become costly if you lifted the maximum to take care of actual expenses.

Mr. MARTINY. Not to take care of actual expenses, but we believe that the average actual expenses will be taken care of for the average traveler by the \$13 rate. And if there are unusual expenses that would be in excess of the \$13 rate, then it is contemplated that the traveler would be granted the right to be reimbursed under the proviso that is proposed in this bill.

So we believe that the two provisions taken together will adequately cover the situation as it exists today. We can't of course foresee what it would be in the future.

Mr. FASCELL. Does the regulation describe the type of accommodation that an employee in traveling would be entitled to obtain?

Mr. MARTINY. It does not.

Mr. FASCELL. Is it your opinion that if you raised the maximum the employee that is now spending on the average \$7 or \$8 for hotel rooms would start getting better accommodations, or that he might?

Mr. MARTINY. Surely they would, because the present maximum of \$9 makes an employee very cautious, he doesn't like to put the difference up out of his own pocket, which he would have to do. So I suspect that if the maximum is raised from \$9 to \$12 or \$13 or \$15, if the committee so desires, that the individual traveler probably will choose a better accommodation.

Mr. FASCELL. Do you think that is wrong?

Mr. MARTINY. No, I do not.

Mr. JONAS. Apropos of the comment made just now, Mr. Chairman, isn't this true: The head of an agency can't determine in every instance what it is going to cost an employee to go to Indianapolis for 3 days and make any distinction between what it will cost for another employee to go to St. Louis. It seems to me that what we need to do is to try to arrive at what would be an average for a fair maximum. And we have the testimony of this witness who, for example, has three different illustrations—they are all different. Now, if I were the head of that agency and I had 3 different groups going out and coming back with 3 different amounts, wouldn't it be natural to put down the maximum on travel orders? I don't see how the head of the agency could authorize less than a maximum.

Mr. FASCELL. Are you asking it?

Mr. JONAS. No, I am discussing it.

Mr. FASCELL. I think a frank answer would be how close anybody is breathing on his neck with respect to the accountability of funds.

The CHAIRMAN. They are doing that now, Mr. Jonas, that very thing. Some of them do not allow the maximum.

Mr. JONAS. On casual trips?

The CHAIRMAN. That is right. Many of the agencies set a figure less than the maximum.

Isn't that right?

Mr. MARTINY. That is true. I do not know whether it would be on casual trips or not. I will later point out that our regulations prohibit the maximum being used for a continuous period in excess of 60 days. We also have additional regulations, for example, where a man goes to an Indian reservation for an audit where he won't incur all of these additional expenses that would bring it up to the

\$9 maximum, then possibly he will be authorized only a \$4 rate or an \$8 rate, depending on where he goes, whether meals are furnished, and various other circumstances, whether they would justify the maximum rate or whether it is \$9 or \$13 or \$15.

Mr. McCORMACK. It costs money to determine what that is going to cost, too, doesn't it?

Mr. MARTINY. I don't believe so, because your regulations are not very extensive, and the standards are very general.

General Accounting Office officials authorized to direct travel are charged with the responsibility of authorizing rates commensurate with the circumstances involved. The maximum per diem may be authorized for our employees only when it is necessary to cover the proper personal expense of the traveler, which under existing conditions is most of the time, particularly on short trips. However, the maximum rate may not be authorized in excess of 60 days during a 180-day period unless approved in writing by the administrative officer. Also, no per diem may be paid in excess of 180 days for duty at any one temporary post of duty, except as specifically authorized or approved by the Comptroller General.

We believe that these regulations of the Comptroller General afford ample control for the assurance that we will use the proposed \$12 or \$13 maximum rate only when commensurate with the existing circumstances.

The increased cost to the General Accounting Office for the fiscal year 1956 based on a maximum per diem allowance of \$12 would be approximately \$300,000, representing a 23.33 percent increase over proposed estimate of \$910,000 and for a maximum rate of \$13, the increase would be a little over \$400,000, representing a 31.11 percent increase over such estimate.

The first section also contains a proviso to take care of a limited number of situations where employees are required to travel on assignments which necessitate personal expenditures well in excess of the maximum rate. The proviso would authorize reimbursement on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization.

We believe that a maximum should be specified in the bill if reimbursement on an actual expense basis is to be authorized. However, we recommend that the actual expense basis be discarded and that there be authorized a special per diem allowance not to exceed a rate which should be specified in the legislation. This would obviate the necessity for the traveler supporting each item of expenditure by receipts or otherwise, as generally is required when reimbursed on an actual expense basis. Language to accomplish this purpose has been submitted to the committee and a copy is attached for your information.

Mr. McCORMACK. Have you cleared that with the Bureau of the Budget?

Mr. MARTINY. We have not. It is not the practice of the General Accounting Office to clear legislation with the Bureau of the Budget.

Mr. McCORMACK. I just asked as a matter of curiosity.

Mr. FASCELL. You say there is a provision where the maximum provided in ordinary cases may be exceeded?

Mr. MARTINY. That is right.

Mr. FASCELL. And by substituting this language and provision for a higher maximum rather than putting it on an expense basis, this would be the way to handle it?

Mr. MARTINY. It is.

Mr. FASCELL. I am not clear on that.

Mr. MARTINY. If you will hold your question I will analyze the differences in the two bills.

Mr. FASCELL. Surely.

Mr. MARTINY. It differs substantially from the language of the bill. Under the bill—Mr. Chairman, possibly if I read the language at this point it would help. We suggest the following change in language for the proviso in section 1:

And provided further, That where because of the unusual circumstances of a traveler assigned within the limits of the continental United States such maximum per diem allowance would be much less than the anticipated subsistence expenses of the trip the department or establishment concerned may, in accordance with regulations promulgated by the Director, Bureau of the Budget, prescribe a special per diem allowance not to exceed \$—

and we leave the amount blank for whatever the committee would feel is justified.

Mr. McCORMACK. What do you think would be justified?

Mr. MARTINY. Personally I think a \$20 or \$25 rate would be justified. That is my personal view. This language differs substantially from the language of the bill. Under the bill the head of an agency may authorize this expense.

However, under existing law, the head of an agency is authorized to delegate to any officer or employee of his agency any of his functions as he deems appropriate. The proposed language uses the words "department or establishment" so that no one will be misled into believing that the head of an agency personally will authorize this expense. However, we believe that the authority to incur this extraordinary expense should be retained on a high organizational level of each agency and that the regulations to be issued should preclude any redelegation by the official authorized by the head of the agency to authorize this expense.

Also the language of the bill establishes this benefit "on an actual expense basis" which "may be authorized in advance." The proposed change uses a special per diem allowance basis and would permit approval of such an expense after the trip where travel is performed in an emergency. This is consistent with the provisions of paragraph 5 of the Standardized Government Travel Regulations.

Does that answer your question, Congressman, on the difference between the two provisos? Possibly I should elaborate on it.

Mr. FASCELL. Only one other thing. You say this without the necessity of supporting each item of expenditure by receipt. How would you control it, just determine it arbitrarily in advance and set a limit on it?

Mr. MARTINY. That is right.

Mr. FASCELL. And that responsibility would be up to the department.

Mr. MARTINY. That is true. If you don't have the per diem allowance, that means that the man has got to submit his hotel bill—

Mr. FASCELL. You do it on an actual cash basis?

Mr. JONAS. Couldn't you get around that or obviate that trouble by permitting him to make a certificate—or not a certificate, just turn in a voucher without supporting documentary proof?

Mr. MARTINY. The only time the Comptroller General has permitted the reimbursement for expenses on the basis of a certificate without supporting evidence is when it has been authorized by law.

Mr. JONAS. I am talking about authorizing it by law.

Mr. MARTINY. I believe the Comptroller General would recommend against that. It is provided that the judges may be reimbursed on the basis of their certificate. We didn't object to that, of course.

Mr. JONAS. Don't you think you might save money by following that suggestion rather than to authorize a blanket per diem of \$20?

Mr. MARTINY. No, congressman, we do not, because it has been our experience in the General Accounting Office that we can't rely too much on certificates unless they come from individuals in a very high level of Government. I will give you one illustration. The military personnel officers were permitted to be paid their dependency allowance in certain cases on their certificate. We found tremendous numbers of those certificates not supported by the evidence. It's the policy of the General Accounting Office or of the Comptroller General not to favor any expenditures solely on the basis of a certificate of the regular Government employees. So we would, I am sure, object to that.

Mr. JONAS. What about incorporating the two, a certificate, and provide that it not exceed the maximum?

Mr. MARTINY. That would be substantially the same as per diem.

Mr. JONAS. I mean, a man who spends less than \$25 would turn in a certificate that he spent \$18, you save \$7 a day.

Mr. MARTINY. I believe that is substantially the way a per diem allowance would operate. It would be up to the head of the department, of course, either to authorize that per diem in advance or to approve it after the travel, in case there was a travel emergency. So substantially you have the same thing in the proposal.

Mr. JONAS. That is all.

Mr. FASCELL. Would you also have an administrative problem under that suggestion? If you followed this thing and put the responsibility in the department head you could go to your source immediately and determine whether or not it is reasonable or unreasonable or whether it is arbitrary or discriminatory or otherwise, whereas if you did it on a certificate basis you would have to investigate each and every certificate.

Mr. MARTINY. There would be cases, yes; if you wanted to determine whether the practice was being abused, then you would have to investigate each certificate.

Mr. FASCELL. Whereas under your proposal all you would have to do is interrogate the head of the department?

Mr. MARTINY. That is right.

The CHAIRMAN. Proceed with your statement.

Mr. MARTINY. Section 2 of the bill would increase the existing \$10 maximum per diem to \$15 for persons serving without compensation.

Section 3, proposing to amend 28 United States Code, 1823 (a), would bring the travel rates for employees when traveling as witnesses

on behalf of the United States under the Travel Expense Act. This would obviate the necessity for separate amendatory legislation at this time or at such future date as the per diem rates under the Travel Expense Act are modified.

We are convinced that an increase in the maximum per diem rate from \$9 to \$12 or \$13 is justified.

Accordingly, we recommend that this subcommittee consider the changes suggested for the proviso to section 1 and that favorable consideration be given to H. R. 4918.

Mr. Chairman, we are very pleased to present this statement, and I will try to answer any questions you may have.

The CHAIRMAN. Mr. McCORMACK, do you have any questions?

Mr. McCORMACK. No.

The CHAIRMAN. Mr. Fascell?

Mr. FASCELL. No further questions.

The CHAIRMAN. Mr. Jonas, any further questions?

Mr. JONAS. No questions.

The CHAIRMAN. Mr. Martiny, is anyone else who accompanies you prepared to make a statement?

Mr. MARTINY. No, sir.

The CHAIRMAN. Thank you very much.

I believe the next witness is Mr. George Miller.

**STATEMENT OF GEORGE M. MILLER, LEGAL ADVISER TO THE
ADMINISTRATIVE ASSISTANT ATTORNEY GENERAL, DEPART-
MENT OF JUSTICE; ACCOMPANIED BY EUGENE J. MATCHETT,
CHIEF, ACCOUNTS BRANCH**

Mr. MILLER. Mr. Chairman, to identify myself for the record, I am George M. Miller, Legal Adviser to the Administrative Assistant Attorney General of the Department of Justice. I am accompanied by Mr. E. J. Matchett, the Chief of our Accounts Branch in the Department.

I have submitted a prepared statement, Mr. Chairman. And with your permission I will read it, and also with your permission I will interpolate remarks on occasion.

The CHAIRMAN. Proceed in that manner, then, Mr. Miller.

Mr. MILLER. The first two bills are identical and would substitute specified higher rates for existing per diems in lieu of subsistence and also increased rates for use of personally owned automobiles and motorcycles.

Since a serious study was made only of H. R. 4918, our remarks will be confined to the terms of that bill, the first section of which proposes to increase the maximum authorized commuted allowance in lieu of subsistence to \$13 from the present \$9, with provision for reimbursement of actual expenses in unusual circumstances, under regulations of the Bureau of the Budget.

It has long been recognized that there is a need for an increase in the subsistence rate. General price increases in food, lodging and miscellaneous travel expenses covered by the governmental term "subsistence" have made it necessary for employees to bear the difference between actual cost and the amount paid on their expense accounts. It is unnecessary to recite instances of inadequacy of the

present \$9 maximum as personal experiences bear out the need for an increase, as do the studies by the Bureau of the Budget. Sufficient to say that our travelers complain that lodging alone takes the major part of the present allowance, and in some cases all of or more than the \$9.

When the Travel Expense Act of 1949 became law, the Attorney General prescribed a sliding scale of rates as the standard within which bureau regulations might be framed, \$9 for the first 14 days in a travel status at any one place, \$8 for the next 30 days, and \$7 thereafter. This was designed to conserve funds as well as to serve as an incentive toward procurement of economical lodgings for longer sojourns in temporary duty stations.

Mr. McCORMACK. Which Attorney General issued those regulations?

Mr. MILLER. The Attorney General in office at the time in 1946.

Mr. McCORMACK. \$9, \$8, and \$7?

Mr. MILLER. Yes, sir—I beg your pardon, 1949.

Today the \$7 rate is seldom used and there has been pressure to establish one flat rate of \$9 per day. Action to that end has been deferred pending the outcome of present congressional attention to the subsistence question.

The actual expense feature of section 1 of the bill is both worthy and timely. Situations develop where a generally applicable standard rate is inadequate; for instance, a United States attorney attending at a term of court away from his headquarters may have to take quarters at the only hotel in town at rates in excess of the per diem allowed, perhaps occupying rooms adjoining the judge's, who receives \$15 per diem; agents or inspectors on a surveillance assignment may have to take expensive adjoining rooms in hotels to keep some individual under observation. Circumstances of the trip or the character of the assignment might call for unusual expenses not normally included in the regular rate. It is anticipated that this provision for actual expenses will relieve many situations where previously the employee had to make up the difference.

Departing from the written statement there, Mr. Chairman, the Department of Justice observation on this bill to the Bureau of the Budget suggested that it might be desirable to provide for the subsequent approval of actual expenses after a trip, because in our situation one cannot always anticipate in advance and include in travel orders the authority that the bill contemplates shall be included in the orders so as to obtain this actual expense reimbursement.

The one example that I have given here of an agent being required to follow a man around the country is self-explanatory. It would be a farce to require every agent's order to include the actual expense authorization in advance.

On the other hand it would be unjust to that agent if he found himself in a situation where he had to incur those expenses without that advance authority, to bear those extra expenses himself. We feel that under proper administrative control, first by regulations of the Bureau of the Budget and then Department regulations, such actual expenses could be authorized or approved. Those terms signify authorized in advance or approved after the fact.

The CHAIRMAN. Mr. Fascell.

Mr. FASCELL. Do I understand now from your testimony that under the present law and regulations that you have agents on cases where they are actually paying the difference between what is authorized and what they spend?

Mr. MILLER. That is common experience, Mr. Congressman. Today, of course, it is \$9.

Mr. FASCELL. And if a man spends \$20 a day for surveillance for extraordinary expenses he makes up the \$11?

Mr. MILLER. He cannot get it under the regulations of the Government, he must make it up; yes, sir.

Mr. FASCELL. Is he reimbursed indirectly in some other fashion?

Mr. MILLER. I don't know of any such instance.

Mr. FASCELL. Have we got any agents left?

Mr. MILLER. We do have; yes. The agents and the Government travelers under those circumstances take it as a part of their employment.

Mr. FASCELL. In other words, they reduce their actual salary by the amount of the excesses over the per diem that they have to pay?

Mr. MILLER. It amounts to that; yes, sir.

The CHAIRMAN. Mr. Miller, was the statement you made a moment ago in connection with the desirability of approval of expenses after travel has been performed directed toward a suggested change to section 1 of the bill?

Mr. MILLER. To section 1 of the bill.

The CHAIRMAN. Over in page 2, line 7, the language "in advance" appears, and you are suggesting "in advance and subsequent to the performance of the travel," or some such language?

Mr. MILLER. Mr. Chairman, it is suggested that language be used which would accomplish that result. May I offer as suggested language that lines 6 and 7 read: "conditions under which reimbursement for such expenses may be authorized or approved in the performance of a trip on"—which is the end of the line.

Mr. JONAS. You would just take out "in advance"?

Mr. MILLER. I would take out "in advance" and substitute "and approved," with other small changes.

The CHAIRMAN. Thank you.

Mr. JONAS. When you speak of an investigative agent are you referring to the Federal Bureau of Investigation agents?

Mr. MILLER. I had those specifically in mind. There are also instances in which employees in various capacities in the Immigration Service may have occasion to conduct what amounts to an investigation, a surveillance of suspects of violation of the immigration laws.

Mr. McCORMACK. And narcotics would be another case?

Mr. MILLER. That is true. I was confining my remarks specifically to Justice.

Resuming my statement, Mr. Chairman, section 2 of the bill likewise will alleviate a present problem when nongovernment executives and others are called to Washington for conference and will tend to relieve the surprise and discomfort bordering on resentment which often followed the allowance of the previous sum of \$10.

Section 3 of the bill will permit the Attorney General to prescribe rates for Government employee witnesses to take effect simultaneously with any change in travel allowances for Government personnel generally, thus obviating the need for hurried action on legislation to

avoid the confusion and adjustments of accounts that occurred in 1949. Congress had passed the Travel Expense Act increasing the rates for official travel on ordinary business, but it was not until months later that equal travel allowances could be paid to the same employees for court attendance.

This section will automatically authorize an adjustment which can be put into effect immediately without the need of action by Congress. The section neither adds to nor subtracts from the present authority of the Attorney General to prescribe rates, but does facilitate such action and makes it possible to avoid the experience of 6 years ago.

Mr. Chairman, that concludes my prepared remarks. I thank the committee for the opportunity of appearing here. And I will be glad to answer such questions as may be asked, if I have the information.

The CHAIRMAN. Mr. McCormack, have you any questions?

Mr. McCORMACK. No questions.

The CHAIRMAN. Mr. Jonas?

Mr. JONAS. No.

The CHAIRMAN. Mr. Fascell?

Mr. FASCELL. No.

The CHAIRMAN. Counsel?

Mr. PINCUS. I have one question, if I may.

Mr. Miller, you stated in your prepared statement that "since a serious study was made only of H. R. 4918." That statement rather puzzles me, in view of the fact that there were three bills under consideration.

Mr. MILLER. Mr. Chairman, I will elaborate on that.

We in the Department of Justice have a legislative unit which refers to us, when committees request Justice comment on bills, the various bills that they think our staff is qualified to comment on. 3950, and the other one, 4169, I believe it is, came to us simultaneously after H. R. 4918.

It was our understanding that our comments were desired primarily on 4918, and we commented in full on that bill. Having commented on that, we contented ourselves with a statement to that effect when we returned the single report we made on H. R. 3950. And we did not go into details on the terms of H. R. 3950.

Mr. McCORMACK. What was the source of your understanding that you were to comment only on one bill?

Mr. MILLER. We understood, of course, that it was the bill the administration favored, and that the Department as a department more than likely would not comment on the other one unless requested by the Bureau of the Budget.

Mr. McCORMACK. In other words, the understanding emanated—the source of the so-called understanding that the Department sponsored them was the Bureau of the Budget?

Mr. MILLER. I presume so.

Mr. McCORMACK. Don't you have your own independent comment to make? Have you any independent comment to make as to what represents the Department's views?

Mr. MILLER. I have personal views, sir. We have a situation in the Department of Justice which I am glad to comment on.

I am not prepared to discuss what the Bureau of the Budget representative presented to you, as to the costs—not costs, but the payments made—in private industry to employees for the use of their

own automobiles. We, of course, pay the 7 cents per mile rate to our employees. This rate may or may not be fair, depending on what the factors are when you arrive at the allowance made. I do not know whether in the Bureau of the Budget study or the studies made by those organizations on which it relies there was taken into account the capital investment of the employee in that automobile.

On an operating and maintenance basis the average individual can get along on 7 cents a mile if you take into account only the gasoline and the oil and the repair charges. But if you take into account the capital investment—which some people may call depreciation—by the Government's own figures you can't make ends meet. The average Government maintenance and operation figure by the General Services Administration publication is 4.15 cents per mile. Then you must bear in mind that that figure is arrived at by not taking into account certain expenses of the average individual which the Government does not bear.

For instance, the Government does not pay the sales tax on gasoline that is put into the tank. Nor does it usually pay the full going rate for mechanical services, the labor charges. It does not pay the full parts rate. I used to supervise a contract unit, and I examined the costs on the contracts for repairs of cars. And I observed that frequently on competitive bidding the parts prices were from 20 to 40 percent off list. I don't know whether that practice still prevails in competitive bidding for the repair and the maintenance of government automobiles, but if so, there is a decided price advantage that the government enjoys and which is not reflected in its cost figures of 4.15 per mile.

The labor charges usually are cheaper on a competitive contract than they are to you and me if we had our automobiles repaired privately.

So that by and large 4.15 cents for maintenance for a government car is considerably less than you and I would pay on our own cars.

The next point I wanted to bring out is that for expenses of the car itself, which enter into the problem, if you assume an actual cost of \$2,700 for an automobile—and that today is not excessive—and if you assume a life expectancy of that automobile of 60,000 miles, you have an investment on a mileage basis there of 4½ cents a mile added to the maintenance charges, which we previously accepted at the Government figure, 4.15—and those figures, I submit, are not quite sufficient. You have 8.65 cents per mile already, and you still have a long ways to go for private expenses. You have your insurance, you have your overhead such as storage expenses if you garage your car, you have taxes, personal property taxes, you have your license tag expenses, whatever they may be in your various localities. And by and large, Mr. Congressman—I have made a little study of this on my own, for my own satisfaction, in connection with certain other nongovernment projects. And it seems to me that the very minimum a person can operate his car on, taking the factors into account that I have mentioned, is in the neighborhood of 10½ cents a mile. That is my approach to it.

Mr. JONAS. Before you leave that, Mr. Chairman, may I ask a question?

The CHAIRMAN. You may.

Mr. JONAS. Aren't you assuming that an individual uses this automobile exclusively in the Government service? Are you making any accounting for his private use of it not in a travel status?

Mr. MILLER. Mr. Jonas, I was just coming to that. I was talking as if the individual did use the car exclusively for Government.

Mr. McCORMACK. There are a lot who do, aren't there?

Mr. MILLER. Yes, there are.

Mr. JONAS. Considering the fact that the Government owns about 275,000 automobiles, it doesn't look like we ought to have too many people running their own cars in the Government service on a permanent basis, Mr. McCormack.

Mr. MILLER. On that, if you will let me state it in my own way, sir, I think I will bring it out.

The Congress has provided for automobiles for the use of the Federal Bureau of Investigation. It has provided for similar ones for the Immigration and Naturalization Service, and, to some extent, for the Bureau of Prisons. But there is one area in the Department of Justice where no provision whatever has been made for official automobiles. And it was in that connection, incidentally, that I made my little private study of the cost of automobiles.

That area is the service of the United States marshal. Congress has never seen fit to give marshals official cars. Marshals must travel all over the country in the service of processes—not on traveled highways, necessarily, but up into the back country, or anywhere, to locate the man or the individual they are trying to serve, or to make arrests, if you please.

The United States marshal and his deputy must finance an automobile in order to effectively carry on their work. And in that connection, many, many of them buy an automobile for Government use almost exclusively and wear it out for that purpose. In that situation there is an exception, it seems to me, to the usual approach that you should pay only the actual expenses of operation, or just a little tiny bit more. A little tiny bit more wouldn't buy that man an automobile and keep it in operating condition whereby he can perform his work—and incidentally, save the Government a lot of money.

If that statement seems a little bit fantastic to you, may I make this remark. A deputy marshal is in addition to being a process-serving officer, a man utilized by the Attorney General to commit prisoners to institutions. Of course, that is in a way a service of a process, a writ of commitment, of course. But here is what happens. The marshal or the deputy with a guard will travel the necessary distance to transport 1, 2, 3, sometimes 4 persons in an automobile to an institution, for which he receives reimbursement at 7 cents a mile.

The CHAIRMAN. Per person, or himself?

Mr. MILLER. For one trip.

Now, if you were traveling by commercial carrier——

Mr. JONAS. Doesn't he elect to do that? He isn't ordered to do that; is he? Doesn't he have the election of using a public utility?

Mr. MILLER. He has that election, Mr. Congressman. But if he did elect that, he would find himself so far in arrears by the end of the month that he would never get his work done.

There isn't a sufficient number of deputies to take care of a thing like that by using the slow means of common carrier.

The CHAIRMAN. May I ask a question there? You estimated that the life of an automobile was, say, 60,000 miles?

Mr. MILLER. Yes.

The CHAIRMAN. And you also estimated the expenses during its lifetime. Those would apply whether he used the automobile personally or whether he used it in the performance of his duty, wouldn't they?

Mr. MILLER. Yes, they would.

The CHAIRMAN. So if you estimate on a mileage basis the figures would be no different than they would be for an ordinary trip?

Mr. MILLER. That is true. But I tried to point out——

The CHAIRMAN. If you use it exclusively, I mean.

Mr. MILLER. Yes, sir. I tried to point out that in some instances employees use their cars occasionally when, perhaps, there might not be any complaint——

The CHAIRMAN. All right, let's look for a moment at this situation where you have based your figures on a 60,000-mile lifetime. Now, what does it matter whether he used it in the service or whether he used it to carry prisoners in that 60,000 miles?

Mr. MILLER. It doesn't really matter from an equitable standpoint.

The CHAIRMAN. That is what I mean, from an equitable standpoint.

Mr. MILLER. There is no question about it.

The CHAIRMAN. Or whether he used it exclusively or intermittently, if you make the basis of your test 60,000 miles, it doesn't matter as long as he completes the 60,000 miles.

Mr. MILLER. It does not.

Mr. JONAS. It matters, Mr. Chairman, to this extent, that if he uses his car 50 percent of the time for his personal family use the Government ought not to be responsible for that.

The CHAIRMAN. No; the Government isn't responsible.

Mr. JONAS. Therefore, the life expectancy in that event is only 30,000.

The CHAIRMAN. Maybe you and I approach it from different angles, for this reason. The life of this car is 60,000 miles. I use 30,000 of it for myself. I use 30,000 for the Government. But the cost is the same for the 60,000 miles, it doesn't matter how I use it, it will still cost me so much a mile when I use my 30,000. And it doesn't cost the Government any more when I use up my other 30,000 in the Government service, if I make 60,000 miles the basis of my calculation.

Mr. JONAS. I think if you use 60,000 miles you take that from General Services' estimate on the usual and normal life of an automobile.

The CHAIRMAN. That is right. So it won't matter whether you use part of it for your own private use or part of it for the Government, the cost to you is going to be the same for that 60,000 miles.

Mr. JONAS. It makes this difference, it seems to me. He considers the full cost of the automobile as having been absorbed in the 60,000 miles, and only half of it was absorbed in working for the Government.

The CHAIRMAN. And the Government is benefited by my having the car available to help them when they need it.

Mr. MILLER. Mr. Chairman, on that point I would say that as to using the full cost for Government service, I wouldn't follow that approach, I would use one-half of the cost of the automobile for half the use.

The CHAIRMAN. I see. What would be the difference in dollars and cents?

Mr. MILLER. In dollars and cents—rather, on a mileage basis there would be no difference.

Mr. JONAS. But you divide the 2,700 into 60,000?

Mr. MILLER. Yes.

Mr. JONAS. To keep it correct, you ought to divide it into 30,000.

Mr. MILLER. I would divide \$1,350 by 30,000. The result would be the same, per mile.

Mr. Chairman, I am at the moment speaking personally. And I was using an illustration when we got off on this discussion about the cost of transporting this group of prisoners.

We made a comparison, and on a round trip of 500 miles by railroad, the cost of 2 deputies transporting 2 prisoners using pullman accommodations would be approximately \$112.50; making that same trip by automobile using a 10-cent-a-mile rate it would be \$50. The Government saves through that voluntary use of the automobile \$62.50. We in the Department of Justice are doing everything we can under the circumstances to encourage the use of privately owned automobiles on these prisoner trips.

Mr. FASCELL. For what reason?

Mr. MILLER. For the reason of economy, and expediting prisoner movements. And we are having, we think, reasonable success in doing that even at the 7-cent-a-mile rate. But with the increased costs, gentlemen, I don't see how the deputies really are making out. They are kidding themselves if they think they are making anything on it, because the figures do not substantiate that belief.

Mr. FASCELL. Do you feel that this is a special problem that applies only to the Justice Department, or is it general in nature?

Mr. MILLER. I think that the mileage problem is general in nature. But we have a special problem due to our specialized type of service. And frankly, I am hoping that someday we may be called on to comment on one of the special bills that are introduced for the benefit of marshals. There was such a bill back in 1948, I believe, when the mileage rate was 5 cents a mile for Government personnel generally, and Congress saw fit to increase it to 7 cents a mile for the marshal service just because of those special considerations that obtain in their work. I have nothing to say in derogation of the work of any other Government agency. But my particular love is the marshal service, if I may be allowed to express that.

Mr. FASCELL. Do you feel that if this bill were amended to provide some discretionary latitude with respect to extra heavy workloads on mileage that that would be satisfactory without raising the present mileage allowance?

Mr. MILLER. Mr. Congressman, it probably would be satisfactory, but in the absence of seeing it written out to know how it would work, I would be unable to comment.

Mr. FASCELL. In other words, you don't feel—

Mr. MILLER. I don't feel that I can comment on something that I don't understand. If you can make a satisfactory allowance or provide for actual expenses in some way—

Mr. FASCELL. Either in advance or approved subsequent to the trip?

Mr. MILLER. Yes; it would be very desirable from the standpoint of these men who are doing an excellent job for us.

Mr. FASCELL. Then, as I understand it, you recommend raising the mileage rate to 10½ cents flat or providing reimbursement or approval on an actual expense basis.

Mr. MILLER. That would be my personal feeling; yes, sir.

The CHAIRMAN. Thank you very much, sir.

Does your associate wish to make a statement?

Mr. MILLER. No; he does not.

The CHAIRMAN. This is Mr. Ralph S. Roberts.

STATEMENT OF RALPH S. ROBERTS, ADMINISTRATIVE ASSISTANT SECRETARY, DEPARTMENT OF AGRICULTURE

The CHAIRMAN. Identify yourself for the record, please, Mr. Roberts.

Mr. ROBERTS. Mr. Chairman, my name is Ralph S. Roberts; I am Administrative Assistant Secretary of the Department of Agriculture.

I do not have a prepared statement, Mr. Chairman. With your permission I would like to speak from notes.

I appreciate the privilege, Mr. Chairman and members of the committee, of appearing before your subcommittee and discussing with you our viewpoints on these bills, H. R. 3950, H. R. 4169, and H. R. 4918, all of which contain proposals for increasing the maximum per diem allowance payable on official travel and some other related provisions.

At the outset, let me say that we prefer enactment of H. R. 4918. As I will indicate a little later on, we feel that there is factual support in our experience in the Department of Agriculture for the enactment of that bill.

I would like to take just a few moments of the committee's time to discuss the policies and procedures in the Department of Agriculture as they are outlined in our administrative regulations and as those regulations are implemented in the bureaus and agencies of the Department.

We have in the Department, in our administrative regulations, a policy statement which guides the heads of our agencies in the authorization of official travel. We have also provided them with guides and standards for the allowance of per diem under particular circumstances.

Our regulations contain the following policy statement which I think will help the committee to understand the reason for our very low per diem rates in connection with certain types of travel.

The regulations read as follows, in part:

Under the provisions of the Standardized Government Travel Regulations the per diem allowance is intended to cover an employee's necessary authorized expenses for subsistence while he is traveling on official business. An ideal rate would be one by which, with due regard to economical expenditures, as well as equitable treatment of employees, the individual would receive an amount neither in excess nor below necessary authorized expenses when required to travel for the Government.

In establishing such rate all factors that bear upon a fair and equitable per diem allowance, both from the standpoint of the traveler and the Department need, shall be taken into consideration. There are certain primary factors that must be considered in the fixing of per diem rates such as; 1, the relative cost of living in the area in which travel is to be performed; 2, the length of the stay at

the particular point, since continuous abode for prolonged duration at the same lodging offers advantages of reduced rates, savings of tips, and other expenses; 3, train travel which involves extensive use of overnight pullman facilities, thereby eliminating hotel or other lodging expenses; and 4, travel where lodging and meals may be obtained at motor courts, camps, farmhouses, sawmills, timber operations, Government facilities, and other places where costs are usually moderate.

When per diem rates are prescribed in annual letters of authorization, which should be issued only under unusual conditions, they should provide for a degree of flexibility that will permit adjustment for the varying conditions which may apply, or the rate should be fixed at points where they meet the average conditions of travel of particular individuals over the periods covered by the authorizations.

In the Department of Agriculture, as members of this committee know, I am sure, our operations are highly centralized. They must be of necessity, because we have many employees in the field who are working with farmers, with timber operators, with processing plants, and so forth, that are far outside the areas of dense population, the usual areas where costs are inordinately high. We have thus delegated responsibility to agency heads to establish rates within the framework of these Department regulations and the policy statement which I have just read.

Under these regulations, and within the present \$9 maximum, the average per diem paid in the Department of Agriculture in the fiscal year 1954 was \$6.72.

Unquestionably that low rate of per diem reflects what I believe is a conscientious effort on the part of the Department of Agriculture to administer a sound and economical program of travel. In large measure, however, it is due to the fact that 75 percent of our travel is in rural areas, small towns, county seats, and so forth, where the costs are generally lower than in urban areas. It also reflects the fact that large amounts of travel in some agencies is conducted in the mountainous areas such as the national forests where it is possible for the employees to live on substantially reduced per diem allowances.

Let me cite the Forest Service, for example, where 46 percent of its travel is at a per diem rate of \$5 or less. They have found that it is equitable and fair to the employee to allow rates of less than \$5 where the employee is inspecting ranger stations, timber camps, places of that character.

We have the same situation in the Agricultural Research Service where a per diem of \$5 or less is allowed for crews that are working on eradication programs on various infestations of plant and pest diseases; in relatively uninhabited areas where crews stay at 1 location 2, 3, or 4 weeks at a time.

In the Farmers' Home Administration, the Rural Electrification Administration, and the Soil Conservation Service, where approximately 80 to 90 percent of the travel is in the field in rural areas visiting farms, working out of county seats in many places, a per diem rate has been found to be adequate at \$8.

Now, I don't want to leave the impression that the Department is satisfied with the present \$9 maximum. Quite the contrary is true. There is a serious need for administrative flexibility to fix equitable and fair travel rates to employees, particularly where travel involves areas where the costs are high, and where subsistence costs exceed the \$9 maximum. The traveler in those cases is forced at the present time to absorb the difference from personal funds. And we estimate that roughly 25 percent of our travel in the Department of Agriculture

is in the larger cities or the urban areas where we are either pushing the maximum at the present time or have exceeded it. We have made some surveys, sample surveys, in the Department——

Mr. JONAS. Pardon me for interrupting there. May I ask a question? Why would you have that much travel in urban areas?

Mr. ROBERTS. When I am speaking of urban areas I am speaking primarily of cities that exceed 50,000 in population. They are not the big metropolitan areas you have in mind.

Mr. JONAS. Why would you have much travel in those areas?

Mr. ROBERTS. We have a good deal of travel out of State offices, you see. We have travel out of regional offices. Then, of course, there is some travel from national headquarters.

Mr. JONAS. But you said 25 percent of your travel.

Mr. ROBERTS. That would be in areas—would involve travel in areas of about 50,000 population or more, yes, sir. That includes many of your locations in which land-grant colleges and other educational institutions are located. We have a great deal of cooperative work with them. We also have many commodity graders and inspectors and market news reporters who work exclusively in urban areas.

We have made some sample surveys in the Department that indicate that in our opinion the \$13 maximum per diem allowance in section 1 of H. R. 4918 would meet our Department needs. That is assuming, of course, that the special authority under the special proviso of that section to establish higher rates on an actual expense basis under special circumstances would also be approved.

These surveys indicate, for example, that in our Agricultural Conservation Program Service, in the higher cost areas I was speaking of, the average over a period of time was \$12.40. In the Agricultural Research Service in certain of the sections east of the Mississippi, the average during the period covered by the study was \$9.72. West of the Mississippi in the same study with the same type of work involved, it was \$9.68. In our Commodity Stabilization Service where we are dealing with large commodity operations, and our commodity offices are located in the larger cities of the country, the average was \$12.94. Our Farmer Cooperative Service, based on travel for the entire organization over a 90-day period, was \$9.29. The Forest Service in the higher cost cities, and excluding travel in the national forest areas, was \$10.31.

So I think it is rather clear that there is a basis for an increase in the per diem rate, and also that \$13 would meet our needs.

We want to support especially, too, Mr. Chairman, the special proviso for actual expenses. There are circumstances under which a \$13 rate or even a \$15 rate would not be adequate to reimburse the employee for his out-of-pocket expenses, and feel that the special provision is appropriate in order to avoid the employee paying costs of Government cost from private funds.

The CHAIRMAN. Should we establish a maximum in that proviso?

Mr. ROBERTS. I would recommend not, Mr. Chairman. I am of the opinion that if we are going to have a special proviso, the object of which is to pay for the cost to the employee, we ought to be able to pay the total cost and not fix what might be considered an arbitrary ceiling on it. The special proviso would be used, however, only in

limited cases. It would not be for general use, at least in the Department of Agriculture.

Mr. JONAS. What about a proviso to take care of actual expenses based on certification, but not to exceed a maximum?

Mr. ROBERTS. Mr. Jonas, I like the certification idea very much. But again, I don't like to see a maximum written in when the purpose of the special provsio itself is to cover total costs. I think there is a basis for considering the possibility of permitting the special proviso to operate on an approval basis as well as in advance, for the same reason.

The CHAIRMAN. What about mileage?

Mr. ROBERTS. On mileage, Mr. Chairman, I find myself at complete odds with the witness from the Department of Justice. Our average mileage rate for the entire Department of Agriculture in 1954 was 6.6 cents per mile. It has averaged 6 and a fraction cents now for 4 or 5 years. We have a good many employees using their privately owned cars. Also in two agencies, the Forest Service and the Soil Conservation Service, we have a large number of Government-owned cars. We have found that our average cost of operating and maintaining the Government-owned cars has run just under 4 cents a mile. That does not, of course, include insurance or depreciation. But we are not having difficulty at the present rate, Mr. Chairman.

The CHAIRMAN. Don't you think it should include it?

Mr. ROBERTS. Yes. But we feel that the mileage rate we are now allowing, within the 7-cent maximum to operate privately owned vehicles does cover insurance and depreciation.

The CHAIRMAN. Do you do your own repairs and maintenance?

Mr. ROBERTS. On our Government-owned cars in some cases it is done in our repair shops. That is true largely in the Forest Service and in SCS. But in the agencies that have fewer cars the repair work is done by commercial people.

The CHAIRMAN. Any other questions, Mr. Jonas?

Mr. JONAS. No, sir.

The CHAIRMAN. I am not satisfied on this mileage. You say you are hitting better than an average of 6 cents now, and you have been for the last 5 years.

Mr. ROBERTS. It has not varied much, Mr. Chairman.

The CHAIRMAN. You don't think it is getting any cheaper to operate an automobile, do you?

Mr. ROBERTS. In 1950 our average per mile was 6.3 cents. In 1951 it was 6.2.

The CHAIRMAN. You mean it is going down?

Mr. ROBERTS. Well, it did that year. That I can't explain. In 1953 it was 6.6, and in 1954 it was 6.6.

The CHAIRMAN. Don't you think that indicates that since it was established at seven that it is indicated in this legislation to raise that cost of mileage?

Mr. ROBERTS. What the future holds I couldn't say, Mr. Chairman. But certainly we have no factual basis right now for recommending an increase based on our experience.

The CHAIRMAN. If it has been consistently going up, I see nothing in the immediate future to cause it to go down or remain stable, do you?

Mr. ROBERTS. We would hope it wouldn't go up much more, Mr. Chairman.

The CHAIRMAN. You are within a few points of seven now, and you are leaving it at seven?

Mr. ROBERTS. Yes; and I think we can live with seven for the time being, Mr. Chairman.

The CHAIRMAN. You think you can live with it, but can that employee live with it and not be paying anything out of his pocket for doing the Government's business?

Mr. ROBERTS. I believe so. In the Department of Agriculture we think so.

The CHAIRMAN. The Department of Agriculture has operated very appreciably and actively in shaping up this mileage. But I do not think that applies to the general run of Government employees. I think because of the nature of the service you are rendering it would not apply.

Mr. JONAS. May I ask a question?

The CHAIRMAN. Certainly.

Mr. JONAS. Have you had any complaints from employees in the field concerning their mileage?

Mr. ROBERTS. We have had one complaint, Mr. Jonas, that has been rather persistent over a couple of years. It applies not to mileage for automobiles, but to mileage for the use of a privately owned airplane. It is from a man who works out in the vast reaches of the West, and chooses of his own volition at times to travel by privately owned airplane; he has a small plane. But generally we have not had complaints.

Mr. JONAS. You have no substantial number of complaints?

Mr. ROBERTS. No, sir.

The CHAIRMAN. Thank you very much, sir.

Mr. JONAS. I would like to ask that same question to Mr. Miller with respect to his deputy marshal.

The CHAIRMAN. He has gone.

Now, on the question of whether we shall continue on or adjourn and return after lunch, what would be your wishes in the matter, Mr. Jonas?

Mr. JONAS. How many more witnesses care to testify? It is possible that if they are all in support of the bill, some of them might like to just file their statements.

The CHAIRMAN. That is what I was about to say.

If there is anybody who is against this bill, who has ideas that are against it, we will hear him now.

(No response.)

The CHAIRMAN. Those who wish to file statements, those that are in support of it, that is, we will receive your statements at this time and you won't have to come back.

Will you stand up and identify yourself and file your statements?

**STATEMENT OF THOMAS G. WALTERS, OPERATIONS DIRECTOR,
GOVERNMENT EMPLOYEES' COUNCIL, AMERICAN FEDERATION
OF LABOR**

Mr. WALTERS. My name is Thomas G. Walters, operations director of the Government Employees' Council of the American Federation of Labor, in support of H. R. 4169.

(The statement of Mr. Walters is as follows:)

**STATEMENT OF THOMAS G. WALTERS, OPERATIONS DIRECTOR, GOVERNMENT
EMPLOYEES' COUNCIL, AMERICAN FEDERATION OF LABOR**

Mr. Chairman and members of this committee, by way of introduction, my name is Thomas G. Walters, operations director of the Government Employees' Council of the American Federation of Labor, 100 Indiana Avenue, NW., Washington 1, D. C., phone Executive 3-2820 and 3-2821.

The Government Employees' Council of the American Federation of Labor is made up of 21 national and international unions whose membership, in whole or in part, are civil-service employees. The total Federal and postal employee membership of the Government Employees' Council is more than 500,000.

We of the Government Employees' Council, A. F. of L. have appeared before many committees of Congress during the past few years, and strongly recommended that subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government be increased in keeping with the cost of the present-day subsistence expenses and transportation.

We are sure that no Member of Congress believes that the present allowances are adequate, and from the Members of Congress that I have talked with the only difference of opinion is the amount of per diem and the amount of transportation that should be allowed.

We believe that the provisions of H. R. 4169 are in keeping with present-day cost and we, therefore, strongly recommend that the provisions of H. R. 4169 be approved by this committee and that the 1st session of the 84th Congress will approve the legislation before adjournment.

We appreciate the opportunity of appearing before this committee and stating our position on the legislation to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

The CHAIRMAN. Thank you, Mr. Walters.

**STATEMENT OF LUTHER C. STEWART, PRESIDENT, NATIONAL
FEDERATION OF FEDERAL EMPLOYEES**

Mr. STEWART. Mr. Chairman, Luther C. Stewart, president, National Federation of Federal Employees, in support of the legislation.

Copies of my statement have already been furnished to the staff.

The CHAIRMAN. Fine.

(The statement of Luther C. Stewart is as follows:)

**STATEMENT OF LUTHER C. STEWART, PRESIDENT, NATIONAL FEDERATION OF
FEDERAL EMPLOYEES**

Mr. Chairman and members of the committee, in appearing before you to present our views on the subject of allowance for subsistence to employees in travel status and to fix mileage allowance for travel on official business in privately owned automobiles or motorcycles, I desire to point out that placing employees in travel status is an administrative decision made in the interest of the Federal Government, the employer. It therefore follows that allowance should be fixed at a figure which will reimburse the employee for the necessary outlay incident to travel.

Under the present maximum limitation of \$9 per day for subsistence and 7 cents a mile for privately owned automobiles used on official business, employees are required to expend from their own personal funds in order to make up the

difference between what the Federal Government allows and what is actually required in order to maintain themselves while in travel status. That such a situation is manifestly unfair requires no argument.

We endorse H. R. 4918 which will have the effect of increasing the present \$9 per day to \$13.

We are in agreement with the provision that heads of departments and agencies may, when unusual conditions arise, authorize actual necessary expenses in excess of the proposed \$13 maximum. We would suggest, however, that on line 1, page 2, of H. R. 4918, the word "much" be stricken as this is a vague term, and its elimination would leave to the judgment of the department or agency head the question whether the excessive cost of subsistence justified the additional allowance.

We recommend that section 3 of H. R. 4918 be amended so as to provide a maximum allowance for travel by privately owned automobile of 10 cents per mile and by privately owned motorcycle of 6 cents per mile.

With the above suggested changes we endorse H. R. 4918 and urge its prompt and favorable consideration by your committee.

The CHAIRMAN. Thank you very much for your interest and your presence.

STATEMENT OF JOSEPH P. HOCHREITER, CHIEF, STANDARDS DIVISION, DIRECTORATE OF CIVILIAN PERSONNEL, DEPARTMENT OF THE AIR FORCE, REPRESENTING THE DEPARTMENT OF DEFENSE

Mr. HOCHREITER. I am Joseph P. Hochreiter, Chief, Standards Division, Directorate of Civilian Personnel, Department of the Air Force, representing the Department of Defense.

(The statement of Mr. Hochreiter is as follows:)

STATEMENT OF JOSEPH P. HOCHREITER, CHIEF, STANDARDS DIVISION, DIRECTORATE OF CIVILIAN PERSONNEL, DEPARTMENT OF THE AIR FORCE, REPRESENTING THE DEPARTMENT OF DEFENSE

Mr. Chairman, members of the Government Operations Committee, I am Joseph P. Hochreiter, Chief, Standards Division, Directorate of Civilian Personnel, Department of the Air Force. On behalf of the Department of Defense, I want to thank the committee for this opportunity to present the Department's views on these bills.

The Department of Defense strongly supports an increase in the maximum per diem allowance of \$9 presently provided in the Travel Expense Act of 1949.

The Department of Defense believes that when an employee is required to travel, he should be reimbursed for expenses resulting from such travel but should neither gain nor lose money in the process.

This philosophy is reflected in existing Department of Defense regulations on civilian travel. It is predicated upon certain basic principles, one of which I would like to quote from Department of Defense Directive 1420.1, August 20, 1952:

"1. No employee should be forced to pay for directed Government travel at his own expense; conversely, no employee should be allowed to make a profit out of Government travel."

It has been a common experience for civilian personnel traveling on official business to find that the present \$9 maximum is inadequate to cover necessary expenses. Some specific examples which are considered as fairly typical cases within metropolitan areas are:

An employee was requested by American Telephone & Telegraph Co. to represent the Department of the Air Force at a meeting in Chicago; company had made reservations for employee at hotel commonly used by the company; after assignment to his room, employee found that daily rate was \$9; no other room was available at a lower rate.

An employee traveled to Boston; total expenses were \$42.10 of which \$17 was for hotel room for 2 nights. The per diem collected amounted to \$22.50. The employee's loss was \$19.60.

An employee traveled to Colorado Springs, Denver, and Omaha; his total expenses for the trip were \$114.50, of which \$50.50 went for hotel rooms.

Per diem collected amounted to \$78.75. The employee's loss was \$35.75.

Based upon the figures compiled by the Bureau of the Budget and some research of our own, we believe that the \$13 maximum contained in H. R. 4918 is more appropriate at this time than the \$15 figure contained in both H. R. 3950 and H. R. 4169. The reasoning upon which this is based is as follows:

(a) Based upon a 1954 survey of all 48 State governments, for personnel employed by State employment security agencies, only 1 State provided for a maximum of less than \$9, with 1 State providing the same, and all others providing a larger amount by—

(1) providing for reimbursement of actual expenses incurred, or

(2) providing a set amount for meals plus actual hotel expenses, or

(3) providing a set amount for hotels plus actual other expense.

(b) For income-tax deduction purposes, the Bureau of Internal Revenue recognizes that for those returns of Federal employees in which deductions are itemized, reasonable subsistence expenses above the present \$9 maximum incurred in official travel away from home are allowable.

(c) Based upon published figures of well-known hotel cost accounting firms it can be safely said that the present average cost of hotel rooms is in excess of \$7.50 per day; based upon yearly published figures of the American Automobile Association the average cost of meals is approximately \$4.50 per day; based upon employee experience, it is reasonable to say that additional costs for incidentals will average about \$1 per day. The total of these costs will therefore average around \$13 per day.

While it will be true that in some cases the \$13 per day will be exceeded, it is suggested that at this time there is no concrete evidence to justify on the average more than the \$13 maximum.

However, the Department of Defense is gratified to find that H. R. 4918 does make provisions for taking care of certain cases by allowing heads of departments to prescribe conditions (in accordance with Bureau of Budget regulations) under which reimbursement would be allowed where the maximum per diem allowance would be much less than the amount required to meet actual and necessary expenses. We feel this is entirely appropriate, is in keeping with the philosophy previously expressed, and urge its retention in the proposed bill. While, as H. R. 4918 states, these are "unusual circumstances," we know they do exist at times and feel that it is only fair and equitable to provide for the contingency.

For example, it is sometimes necessary to send an employee to a location where, because of the season or because of unusually heavy demands on hotel accommodations caused by convention crowds or other large itinerant group concentrations, he is compelled to use higher cost accommodations.

If this provision is enacted, the Department of Defense will establish strict controls to assure that it is applied only in unusual circumstances. In this respect, the committee's attention is invited again to the manner in which the Department controls the present \$9 maximum. If this additional authority is granted, the new directive will have similar controls.

Of equal importance to the question of what this increase in individual per diem allowance should be is what the total cost of this increase will be to the Department of Defense. This cost cannot be estimated with complete accuracy because, as indicated above, the basic premise of the Department of Defense travel policy is the principle of "no gain or loss," and if this increase is enacted, necessarily we will feel an even greater compulsion to exercise controls on prescribing the new maximum than we presently have under current regulations. Therefore, it is not possible to forecast with accuracy the number of cases in which the maximum rate will be authorized.

We have advised the Bureau of the Budget that we have an estimated \$95 million for travel of civilians in the fiscal year 1956 budget. We estimate that per diem costs represent about \$48 million of this total. An increase in the maximum of \$9 to \$13 represents a 44 percent increase, or a total of \$21 million. This represents the maximum possible increase in travel per diem. However, since it has been and will continue to be our policy to provide for per diem rates at less than the maximum when circumstances do not justify the maximum, the cost of \$21 million would be the top limit possible and would in actual practice be reduced by the number of trips made at a lower rate than \$13.

The Department also wishes to support that provision of the proposed bill which provides for an increase from \$10 to \$15 for personnel performing service without compensation. This change would make this provision consistent with the \$15

per diem provided for experts and consultants appointed under Executive Order 10182, pursuant to the provisions of Public Law 774, 81st Congress (Defense Production Act). It should be noted in this connection that the type of personnel who are selected on this basis are recognized experts in their field and who are contributing their time and knowledge to the Department without monetary reward. It would therefore not be appropriate in our view to expect that they should be subjected to additional out-of-the-pocket expense while so working. Insofar as concerns additional cost for this change, our estimate is that the \$5 increase would total less than \$10,000 annually.

As to the question of increase in mileage allowance, the Department of Defense is in agreement with the Bureau of the Budget to the effect that present evidence does not require a change in this provision. Therefore, we do agree with H. R. 4918 and do not concur with the proposed changes as reflected by H. R. 4169 and H. R. 3950.

The CHAIRMAN. Thank you.

STATEMENT OF RUSSELL M. STEPHENS, PRESIDENT, AMERICAN FEDERATION OF TECHNICAL ENGINEERS, AMERICAN FEDERATION OF LABOR

Mr. STEPHENS. Mr. Chairman, my name is Russell M. Stephens, president of the American Federation of Technical Engineers of the American Federation of Labor, filing a statement in support of H. R. 3950 and H. R. 4169.

(The statement of Mr. Stephens is as follows:)

STATEMENT OF RUSSELL M. STEPHENS, PRESIDENT, AMERICAN FEDERATION OF TECHNICAL ENGINEERS, AMERICAN FEDERATION OF LABOR

Chairman Dawson and members of the subcommittee, my name is Russell M. Stephens. I am president of the American Federation of Technical Engineers affiliated with the American Federation of Labor.

The organization which I represent includes members employed by the United States Government in the fields of engineering, architecture, and allied technical occupations. Approximately 20 percent of our membership is in the service of the Federal Government.

I am pleased to have been afforded the opportunity to present the favorable endorsement of our organization with respect to H. R. 3950 introduced by Congressman Gardner M. Withrow, of Wisconsin, and H. R. 4169 introduced by Congressman Earl Chudoff, of Pennsylvania, which provide for an increase of the per diem allowance in lieu of subsistence for employees of the Federal Government on authorized travel orders within the continental limits of the United States. Those bills would increase the allowance to \$15 per day maximum from the present \$9 per day limitation. The bills above mentioned also provide that employees using their own automobiles or motorcycles in such travel status would have their transportation allowance increased from 7 cents to 12 cents per mile in the case of an employee traveling by private automobile, and from 4 cents to 6 cents per mile in the case of an employee traveling by motorcycle. While the highly respected chairman of the Committee on Government Operations has sponsored H. R. 4918 in the present session of Congress, we feel that the \$13 per day per diem allowance specified in Congressman Dawson's bill is less than present hotel and meal costs would justify. Therefore, while we heartily appreciate Congressman Dawson's sincere interest in the welfare of the Federal employee, as evidenced by his introduction of the foregoing-mentioned legislation, we must support the bills introduced by Congressman Withrow and Chudoff as being more in line with present-day travel costs. The members of our organization being in the engineering services of the United States Government travel as much, if not more, in the performance of their duties than most other groups of employees of the Federal Government. Many of the manufacturing projects which are designed and engineered in Government-operated establishments are manufactured and produced on contract by private production facilities, and it is necessary that federally employed engineers maintain constant liaison in the status of Government representatives between their design branches and the contract facility. In other words the Government engineer and designer who has

conceived and formulated the plans and blueprints for production is called upon to act as the Government watchdog to guarantee that the product purchased with Government funds is manufactured according to previously planned specifications.

You can see therefore, that a great many of the people whom I am privileged to represent are in travel status a great deal of the time.

Under the present allowable per diem reimbursement of \$9 per day, it is necessary that those of our members traveling frequently are forced to spend a great deal of their personal salary checks in order to cover the cost of living away from home, which cost is much in excess of the \$9 per day presently allowed. Year after year delegates to our international conventions representing our Federal locals have presented resolutions to our conventions mandating our international union to work toward an increase in travel allowance.

For many years prior to 1952 the constitution of our international union stipulated a \$12 per day subsistence allowance for officers and employees of our international union traveling in behalf of our organization. This was changed to \$15 per day by action of our 1952 convention, which \$15 per day has since proven inadequate to cover the cost of hotels and meals in most major cities. As a result I intend to sponsor at our next convention a resolution to increase the travel allowance of our representatives to \$20 per day. I myself travel frequently and know from first hand that in many cases my hotel bill runs as high as \$12 per day and I can furnish the committee hotel receipts to prove my statement.

I have studied the statement prepared by James A. Campbell, president of the American Federation of Government Employees. This statement is backed with statistical data, which time did not permit me to prepare. I do however, agree with all facts as presented by Mr. Campbell and support his statement without reservation.

Again Mr. Chairman, I wish to thank you for the opportunity of coming before this distinguished committee of the Congress to present the views of the hard-working, loyal, American citizens whom I am privileged to represent and I urge most sincerely that your committee report a bill to the Congress which will increase the present unrealistic travel-pay policies which are enforced by present legislation.

STATEMENT OF JAMES A. CAMPBELL, PRESIDENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

Mr. CAMPBELL. Mr. Chairman, my name is James A. Campbell, president of the American Federation of Government Employees.

(The statement of Mr. Campbell is as follows:)

STATEMENT OF JAMES A. CAMPBELL, PRESIDENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

The American Federation of Government Employees favors the bills H. R. 3950 introduced by Representative Gardner M. Withrow of Wisconsin and H. R. 4169 sponsored by Representative Earl Chudoff of Pennsylvania, which provide for an increase of the per diem allowance in lieu of subsistence for civilian officers and employees of the Federal Government while traveling on authorized official business within the continental United States. For those who use their own automobiles or motorcycles on official travel, the maximum allowance would be increased from 7 cents to 12 cents a mile for automobiles and from 4 cents to 6 cents a mile for motorcycles.

There is ample justification for these increases. They are in fact long overdue. It is not a matter of determining the proper rate of increase only by basing it solely on the proportionate increase in travel costs since 1949, when the last increase in travel allowances was authorized by the Travel Expense Act enacted as Public Law 92 in the 81st Congress. That will justify substantially what is provided in these bills. But it can be shown that a \$9-a-day allowance was inadequate in 1949.

Unfortunately, the employees who suffered personal losses during the nearly 6 years intervening cannot be reimbursed for their losses. However, that loss certainly is an added reason why the amount should now be set at a figure which today will be reasonably sufficient to permit a Federal employee to travel for the Government without having to bear some of the expense himself.

It should be clearly borne in mind that we are dealing with a maximum figure. If these bills become law they will not authorize \$15 a day for every employee, whether he purchases hotel accommodations and meals at one of the metropolitan hotels or stays at a 25-room hotel in a town having 2,000 or 3,000 population. On the contrary, his agency would undoubtedly follow the common governmental practice of establishing a schedule of rates which will vary from the maximum of \$15 a day down based on specific conditions. The Department of Commerce has had 10 different rates ranging from the minimum of \$2.40 to the present maximum of \$9. The Department of Agriculture has 30 different rates beginning at \$1 because a large part of the travel is in rural areas, though it is difficult to imagine anyone in this day and age purchasing food and shelter for \$1 a day.

Everyone who has traveled even intermittently during the last few years is well aware of the fact that the cost has risen appreciably. Reliable statistics show that hotel room rates have advanced about one-third over the rates which prevailed in 1949, when the existing travel allowance was increased by Congress. The prices of meals have gone up 20 or 25 percent. The cost of other incidentals may be assessed at no less than 25 and more likely at 30 percent or more. Included in such items are tips and fees while traveling, laundry, cleaning and pressing of clothing, and tips to waiters, to name the most common demands upon the traveler.

Convincing evidence of the need for an appreciable increase in the per diem allowance is supplied by the statistics collected by two accounting firms for the American Hotel Association. Figures of the one firm Horwath & Horwath, show that a 12-month average for hotel rooms for the period through February 1955 was \$7.25 as compared with \$5.47 in 1949. This is an increase of 32.5 percent. On the other hand, the average room rate in the calendar year 1954 was \$7.91, according to Harris, Kerr, Foster & Co. Their comparable 1949 figure was \$5.89. This same firm stated \$1.77 as the average price per hotel meal.

These figures are admittedly heavily weighted by big-city rates, but we are not dealing with the problem of fixing an average allowance that will fall between the cost of maintaining oneself in a metropolitan hotel and in the 25-room hotel or small tourist home in a small town or village. Such an average would afford no correction to the existing fact that the rate is too low. The rate should be such that the employee will not be required to bear part of the essential expenses himself when he is directed to travel to one of the large metropolitan centers. The rate should, therefore, be sufficient to cover the highest prices for hotel rooms, meals, and various services. A fair determination of what the rate should be cannot therefore be based on average costs. It is a matter of determining how much the traveler may be reasonably expected to pay in areas where high prices prevail.

The statistics to which reference has been made indicate that there is ample justification for the \$15 maximum allowance provided in the bills before this committee. The figures also show that the current \$9 fell short of being an adequate allowance in 1949.

The \$15 figure will be substantiated in this statement by setting up a schedule of major expense items selected so as to indicate the sum which a Federal employee may reasonably be expected to pay in those areas where prices are high.

The one accounting survey already cited indicated an average price of \$7.91 for a hotel room in the last calendar year. It should be emphasized that this is an average figure. It includes many rates in excess of \$7.91 by reason of the fact that it is an average. It is quite reasonable and realistic to select a \$9 rate as a price a Federal employee is likely to pay in a metropolitan hotel. Anyone who travels today knows that \$9 will obtain modest accommodations in one of the large cities and will by no means represent luxurious living.

Evidence submitted to this committee last year by at least one Government agency indicated a range of hotel prices from \$5 to \$12 a day based on a sampling of travel experience of its employees.

The next major item of expense is meals. In its statement to the committee last year, the Bureau of the Budget told this committee that its survey of travel expenses led to the conclusion that \$4.50 represented the minimum increase in cost of meals over the \$3.75 which was stated as the cost in 1949. Again it should be pointed out that this represented a minimum figure and for that reason certainly could not adequately cover costs in higher price areas. Even though a higher figure could be substantiated, a conservative estimate has been made and on that basis the cost of meals in 1955 has been placed at \$4.80 a day. That is still below the \$1.77 average stated by one of the accounting firms already cited.

There is left in the schedule of expenses those various incidentals which are necessary to a minimum of convenience and comfort. They include those items to which reference has been made—tips to waiters and porters, and such other items as laundry and cleaning and pressing of clothing. A small increase is included over the \$1.20 stated by the Budget Bureau last year. The overall estimate then may be stated as follows:

Hotel room.....	\$9. 00
Meals.....	4. 60
Incidentals.....	1. 40
Total.....	15. 00

The bills also provide for increasing the present allowance of 7 cents a mile for the use of an employee's own automobile to 12 cents and an increase of the allowance for use of a privately owned motorcycle from 4 cents a mile to 6 cents.

Here again it may be stated that these increases are needed. The cost of maintaining and operating a motor vehicle is such that the present allowance is insufficient. It is not only a matter of filling the gasoline tank and replenishing motor oil. Tires must be renewed, needed repairs made, and other expenses met which cannot be avoided in ordinary use on a car. It is not only a matter of wisdom but is now a matter of law in many States that the owner of the vehicle must be insured to the extent of being able to pay for the damage to property or injury to persons which may result from an accident. There are registration and license fees and such other expenses as placing a car in a garage or some parking facility when on a trip.

The Bureau of Labor Statistics surveys of price increases for these expense items show that some of them have risen substantially since 1949. Automobile repairs, for example, have increased more than 24 percent. Tire prices are up 19 percent. Gasoline prices have advanced 13 percent. Insurance rates for automobile coverage have increased more than 28 percent.

If these price increases are combined in a manner approximating their size and importance to the owner and user of an automobile, and allowance is made for the fact that the present 7 cents a mile did not cover the essential items of expense when established, it becomes apparent that a substantial increase is needed. Such a combination was made in formulating the AFGE viewpoint with respect to these bills, giving the greatest weight to such items as price of new cars, gasoline, repairs and insurance. The resultant figure was a weighted average cost in increase which substantiated a per mile allowance of 9 to 10 cents. However, this allows nothing for depreciation of the car and its equipment. It would seem reasonable to allow an additional 2 to 3 cents for this purpose.

When an individual confines the use of his car to his own use, he has full control over its disposition. He may exercise that sort of care which may cause little wear and damage to the vehicle. But when a car must be used in connection with employment, it may be driven much farther within a few days than the owner would have driven it within a month. This wears out both the mechanism and the general structure of the car and speeds up the need for replacements. What may be said in relation to automobiles applies about equally to a motorcycle.

If remedial legislation is to be satisfactory, it must provide a rate which will make it possible for a Federal employee to travel wholly at Government expense and not partly at his own expense. At present the employee in many instances is not being fully reimbursed. A per diem allowance should be established which will cover the cost of travel to the metropolitan center as the maximum and make certain that the sum provided is sufficient to cover travel under varying conditions and in different localities. It is not requested that the maximum allowance be the amount authorized for travel irrespective of destination. There is ample safeguard against the misuse of the allowance. The travel voucher must first be submitted to the employee's own agency and later be subjected to examination by the General Accounting Office which is directly responsible to Congress.

This opportunity to present the views of the American Federation of Government Employees is appreciated. Our thanks are forthcoming to Congressmen Withrow and Chudoff for sponsoring the two bills which are heartily supported by this federation. The committee is to be commended for the interest it has shown in this matter and it is hoped that it will be possible to report a substantial increase of the per diem and travel allowances within a short time.

**STATEMENT OF S. D. LARSON, DIRECTOR, DIVISION OF BUDGET
AND FINANCE, DEPARTMENT OF THE INTERIOR**

Mr. LARSON. I am S. D. Larson, Director, Division of Budget and Finance, Department of the Interior. I am filing a statement in support of H. R. 4918.

(The statement of Mr. Larson is as follows:)

**STATEMENT OF S. D. LARSON, DIRECTOR, DIVISION OF BUDGET AND FINANCE,
DEPARTMENT OF THE INTERIOR**

Mr. Chairman and members of the committee, in response to your request to the Secretary of the Interior for the Department's views and practices with reference to per diem allowances for travel in the continental United States, I have been designated to appear before your committee.

The Department of the Interior is in full accord with the provisions of H. R. 4918 and recommends that it be enacted.

We have found that the present maximum per diem rate of \$9 is insufficient to cover the expenses incurred by many of those who are required to travel on official Government business. The Department has not made a detailed study of the situation but as a result of numerous informal complaints we requested selected individuals to keep a record of their costs for various conditions of travel. It was found that these costs were in excess of the maximum allowance. We have been advised that the Bureau of the Budget has made an analysis of information accumulated during 1953 by certain large accounting organizations covering a survey of some 400 hotels throughout the country. This study revealed an average cost of \$13.20 per day including meals and incidental expenses.

This, of course, means that many employees are absorbing the excess costs. It is the view of the Department that an employee should not profit from the per diem allowance; however, on the other hand, we believe that he should not be expected to absorb excess costs from personal funds.

All travel is not authorized at the maximum rate. The varied nature of the Department's activities is such that travel is required under a wide range of circumstances. The range of travel is from high cost large metropolitan areas to lower cost remote areas. Per diem allowances in the lower cost areas are established with regard to costs in that particular area. Per diem allowances range from a minimum of \$3 per day to the maximum of \$9 per day.

We have not accumulated detailed statistics on travel per diem at the various rates or by grades of employees; however, it is estimated that approximately 50 to 60 percent of our travel is authorized at the maximum rate of \$9.

Section 1 of H. R. 4918 contains a proviso which would permit heads of departments and establishments, under regulations prescribed by the Bureau of the Budget, to authorize reimbursement on an actual expense basis, where due to unusual circumstances of a travel assignment within the limits of the continental United States, the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip. The Department is wholeheartedly in favor of this provision, as it would provide authority for adequate reimbursement to employees for actual expenses incurred, in cases where the traveler is subject to exceptionally high costs.

The Secretary, Under Secretary, Assistant Secretaries and the heads of bureaus and offices find it necessary to attend meetings and conferences in various parts of the United States with State and local officials as well as others concerned with activities of the Department. Almost without exception these officials are called upon to meet with individuals and groups to discuss Government business. Lacking office or other suitable space for such meetings necessarily requires the official to obtain larger room accommodations than would otherwise be required. There are other instances where officials must attend important conferences and meetings in order to keep abreast of technical developments in the industries, so as to permit them to carry on their work for the Government in the most effective manner. Such meetings are usually held in large metropolitan centers where it is not uncommon to incur expenses of \$25 to \$35 a day. It is essential that the employees attend these meetings. They have no control over the places at which such meetings are held or the accommodations which have been selected. Such authority would be controlled at the departmental level and would be kept to a minimum consistent with good administration and the benefits to be derived

We believe that the proposal contained in section 2 of H. R. 4918 to authorize an increase of from \$10 to \$15 per day for travel of employees working at \$1 per year, or without compensation, constitutes desirable legislation. These employees are generally business and professional men, and the majority of their travel is to large metropolitan centers where living costs are consistently higher than the cost incurred by the average Government traveler.

I would like to outline briefly the policies and procedures of the Department of the Interior which govern travel of employees on Government business.

General limitations.—Travel shall be limited to that travel which is essential to the transaction of official business of the Department; must be either authorized or approved by a designated administrative officer; and expenditures therefore must be authorized by an appropriation or other statute.

Itineraries shall be planned in advance so that official business may be transacted with a minimum of travel and expense.

Travel authorizations.—Travel authorizations shall, whenever practicable, specify the places to be visited and the purpose of the travel. Travel authorizations shall be limited to specific trips, except in those cases where the issuance of a general or area authorization is justified.

Travel expenses shall be authorized on the basis of a usually traveled route for the trip, or for the itinerary specified in the travel order. Additional cost caused by deviation from the shortest and most direct route for personal convenience shall not be allowed.

Per diem rates—General.—Each bureau of office shall establish a basis for determining per diem rates which are appropriate for its requirements and which, insofar as practicable, will allow the traveler to receive an amount neither in excess of nor below his necessary travel expenses.

The authorizing official shall authorize or approve such per diem rates, not to exceed the maximum allowable by the latest Standardized Government Travel Regulations, as are justified by the circumstances surrounding the travel. The position, grade, salary, and marital status of the traveler shall not be considered in fixing per diem rates. Per diem allowances shall not be granted for the purpose of augmenting the salary of an employee.

When an employee's work assignment is in an isolated area, such as at a construction camp or at a work site of an investigating or survey party, and over a prolonged period it is possible to obtain low-cost lodging and meals, the authorizing official shall authorize or approve only such per diem rate as is justified under the circumstances.

When an employee's assignment is not in an isolated area but his length of stay is for a prolonged period and continuous lodging at the same place offers possibilities of reduced rates, the saving of tips and other advantages, the authorizing official shall authorize or approve only such per diem rate as is justified under the circumstances.

It is of course difficult to estimate accurately the additional cost which would result from the enactment of this bill because of the fact that a considerable portion of our travel is authorized at below the maximum rate and in many cases on a sliding scale, depending on the type of travel involved and the length of time spent at individual temporary duty stations. We estimate that the increased cost for the Department would be approximately \$800,000. Travel expense for fiscal year 1956 under the present maximum of \$9 is estimated to be approximately \$5,200,000.

The CHAIRMAN. I believe everybody is here except Mr. Fitzgerald.

STATEMENT OF EDWARD W. McCABE, CHAIRMAN, COMMITTEE ON LEGISLATION FOR THE NATIONAL ASSOCIATION OF INTER- NAL REVENUE EMPLOYEES

Mr. McCABE. Mr. Chairman, I am Edward W. McCabe, past president and present chairman of the committee on legislation for the National Association of Internal Revenue Employees.

I am here in support of H. R. 4918. I submit my statement with the further provision that the \$13 be revised to \$15 in the bill proposed.

(The statement of Mr. McCabe is as follows:)

STATEMENT OF EDWARD W. McCABE, CHAIRMAN, COMMITTEE ON LEGISLATION
FOR THE NATIONAL ASSOCIATION OF INTERNAL REVENUE EMPLOYEES

I am Edward W. McCabe, past president and present chairman of the committee on legislation for the National Association of Internal Revenue Employees.

It is requested that this statement be made a part of the official record and be recorded in the proceedings of the subcommittee of the Committee on Governmental Operations studying H. R. 4918.

The National Association of Internal Revenue Employees is an independent association banded together on a mutual interest basis. We have over 21,000 members and are an independent association.

Approximately 40 percent of our 54,000 employees will be required to travel on official business some time during the year. Some of the travel is by privately owned conveyance. We have found that the present per diem allowance for subsistence and the travel expense are wholly inadequate.

The per diem allowance of \$9 a day in the larger cities barely covers the cost of hotel accommodations and tips entering and leaving. The cost of 3 ordinary meals averages \$5 per day. The minimum per diem allowance for subsistence should be \$13 per day. Government employees are expected to obtain first-class accommodations and they cannot with present allowance unless they pay part of the cost from their personal funds. Our association is on record as favoring a minimum per diem of \$13 per day.

Further, a survey last year by one of our leading magazines revealed the cost of operating the most economical standard-make car was 10 cents a mile. Assume an employee uses his car (Ford, Chevrolet, or Plymouth) entirely on Government business and travels 12,000 miles during the year, the cost for gas, oil, grease, wash, minor repairs, adjustments, insurance, and depreciation would exceed \$1,200 or 10 cents a mile. The time has come when we should be realistic. The mileage expense should be 10 cents a mile.

We unitedly urge that your subcommittee favorably consider this brief and vote out a bill which will provide Government employees with a minimum of \$13 per diem subsistence and a minimum of 10 cents a mile when travel by privately owned conveyance is necessary.

I am grateful for the opportunity to present this brief.

The CHAIRMAN. Mr. Hoffman would like to question you.

Mr. HOFFMAN. I would like to ask each and all of them to file a statement as to the number of employees each organization represents and the total cost of the program for the people they represent, and if the others, not Federal employees, get the raise.

The CHAIRMAN. Did you understand the question?

Will you state it again?

Mr. HOFFMAN. Yes. I would like for each of them to file a statement showing the number of employees for whom they speak, also the cost to the Government for the members of their organization, the additional cost to the Government if the members of their organization get an additional per diem, and the cost, the total cost to the Government, if all the Federal employees who are entitled to it, get it. You aren't interested in the overall cost to the Government?

Mr. WALTERS. Yes, sir. But I would have to have knowledge of how many days that the members that make up the Council would travel in the next year, and I wouldn't have any knowledge of that unless I got it from the Government agencies.

Mr. HOFFMAN. It would seem to me that one of the basic questions would be how much it would cost because certainly we are interested in whether the Government can keep the obligations which it incurs, and you could use the figure that you had last year for the number of days you had put in last year.

The CHAIRMAN. May I say that I don't think he represents the Government.

Mr. HOFFMAN. No, he represents an organization composed of Federal employees, though, doesn't he?

Mr. WALTERS. Yes, I do.

Mr. JONAS. I think there was some testimony by Mr. Belcher to the effect that it would cost about \$30 million.

Mr. HOFFMAN. I want to know——

Mr. JONAS. Do you want it broken down?

Mr. HOFFMAN. They come in and say they represent so many Federal employees, and I think that one thing that is basic to it is the cost if the employees of that particular group received this added compensation.

Mr. WALTERS. Could I ask one question? Take Mr. Campbell here, who represents 60 or 70 or 80 or 90 people who are scattered in every State in the Union, I just don't see how we could come in here guessing as to how many days or how many trips those people would travel in the next year. And we certainly have no information as to how much they traveled last year.

Mr. HOFFMAN. Then, what your testimony amounts to is that you want a raise, but you don't know what it is going to cost the Government.

Mr. STEWART. The figures have already been inserted by the National Bureau of the Budget as to the overall cost to the Government. Any representative of an employee organization has no means of breaking that down into its application to its own membership. And whether there is 1, 1,000, or 50,000 who may be called upon to travel under official orders, the injustice of an inadequate allowance applies with equal validity.

The overall cost is furnished from official sources, that is the only place that can be done. Organizations have no occasion to make any such breakdown even if they have the facilities for acquiring that information.

Mr. HOFFMAN. Then, what it amounts to is that these gentlemen just advocate an increase in the per diem pay?

The CHAIRMAN. These gentlemen will testify by filing their statements on the bills before us.

Are you satisfied?

Mr. HOFFMAN. I thank you.

Mr. STEPHENS. At the end of my statement I should have made mention of the fact that representatives of two international unions of the American Federation of Labor who are unable to be present this morning asked me to signify the desire of their organizations to support the bill that I have supported. Those are the International Association of Bridge, Structural and Ornamental Iron Workers, A. F. of L., and the International Brotherhood of Boiler Workers, Iron Ship Builders, Blacksmiths, Forgers and Helpers of the American Federation of Labor.

The CHAIRMAN. Thank you. That will be noted.

Unless there is objection, I would like to introduce for the record certain documents received by the committee from various departments of the Government, at this point.

(The documents referred to, from the Department of Labor, Treasury Department, Postmaster General, and Department of State, are as follows:)

DEPARTMENT OF STATE,
Washington, April 26, 1955.

HON. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives.*

DEAR MR. DAWSON: Reference is made to your letter of March 16, 1955, requesting comments of the Department of State on H. R. 4918, a bill to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

We believe that the current maximum per diem rate of \$9 does not permit adequate reimbursement to many officials who are required to engage in official travel and the Department is therefore in favor of an increase in the per diem rate.

A check made of costs in the Washington area by the Department as late as November 1954 would indicate that a rate of \$13 may be too low in exceptionally high cost areas. Since the bill under consideration provides for relief where officials travel under unusual conditions, the Department supports its proposal of \$13 as a maximum per diem rate.

In view of the several exceptions to the \$10 rate allowed to persons who serve on a without-compensation basis, among them the \$15 rate permitted in the Department of State to individuals who serve in an advisory capacity in international conference matters, the Department supports the proposal to increase this rate to \$15 for travel within the United States. For travel outside the United States, it is our understanding that the maximum per diem rates established by the Bureau of the Budget would apply to these persons.

There is no objection to the proposal regarding the travel rates for civilian employees who travel as witnesses on behalf of the United States.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report and that enactment of H. R. 4918 would be in accord with the program of the President.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

POST OFFICE DEPARTMENT,
OFFICE OF THE POSTMASTER GENERAL,
Washington 25, D. C., April 26, 1955.

HON. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives.*

DEAR MR. CHAIRMAN: Reference is made to your request for reports on H. R. 3950 and H. R. 4169, identical bills to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

You also requested a report on H. R. 4918, a bill "To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes." It is understood that H. R. 4918 is the Administration's bill and is in accord with the program of the President.

This Department is opposed to the enactment of either H. R. 3950 or H. R. 4169 which provide for an increase in the per diem allowance under section 3 of the Travel Expense Act from \$9 to \$15. H. R. 3950 and H. R. 4169 also provide increases in the mileage allowances for privately owned motorcycles, from 4 cents to 6 cents per mile, and for privately owned automobiles from 7 cents to 12 cents per mile.

It is the view of this Department that the increase of the maximum subsistence allowance from \$9 per diem to \$15 per diem is overgenerous. It would result in an unjustifiable increase in the administrative costs of the Department.

It is believed that a maximum of \$13 per diem as proposed by H. R. 4918 is adequate to meet the normal expenses of officials occasionally required to travel. This Department would continue to exercise administrative discretion to pay less than the maximum to employees who regularly travel in the performance of their duties.

The increase in the mileage allowance proposed by H. R. 3950 and H. R. 4169 also is believed to be too great. Studies by the National Industrial Conference Board indicate that the present allowance of 7 cents a mile is adequate to com-

pensate employees who use privately owned vehicles in lieu of commercial facilities. In no case should the rate paid exceed the cost by common carrier.

It is estimated that the enactment of either H. R. 3950 or H. R. 4169 could increase annual postal expenditures in excess of approximately \$640,000 for per diem allowances, and \$435,000 for mileage allowances, or a total annual additional cost of \$1,075,000.

H. R. 4918 would authorize the granting of a per diem allowance up to \$13. This amount could be exceeded in certain cases and pursuant to Bureau of Budget regulations.

This Department favors H. R. 4918. It is estimated that the enactment of H. R. 4918 would increase postal expenditures by at least \$435,000 per annum.

The Bureau of the Budget has advised that there would be no objection to the presentation of this report to the committee; that enactment of H. R. 4918 would be in accord with the President's program.

Sincerely yours,

C. R. Hook, Jr.,
Acting Postmaster General.

TREASURY DEPARTMENT,
Washington, April 25, 1955.

HON. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: Reference is made to your letter of April 13, 1955, extending an invitation to appear at hearings on April 26, 1955, on H. R. 3950, H. R. 4169, and H. R. 4918, relating to an increase in the maximum per diem allowance for Government employees.

While we greatly appreciate the invitation, I regret that I will be unable to appear at the hearings. However, it is hoped that the attached statement will be helpful to your committee in its consideration of the matter.

Very truly yours,

G. M. HUMPHREY,
Secretary of the Treasury.

STATEMENT OF THE TREASURY DEPARTMENT ON H. R. 3950, H. R. 4169, AND
H. R. 4918, RELATING TO AN INCREASE IN THE MAXIMUM PER DIEM ALLOWANCE

H. R. 3950 and H. R. 4169, which are identical bills, would increase from \$9 to \$15 the maximum per diem allowance for civilian Federal employees while traveling on official business within the continental United States. They would also increase from 7 cents to 12 cents the maximum mileage rate for use of privately owned automobiles for official travel and from 4 cents to 7 cents the maximum mileage rate for the use of motorcycles.

H. R. 4918 would increase from \$9 to \$13 the maximum per diem allowance and would grant discretion to the heads of agencies, subject to regulations of the Bureau of the Budget, to pay actual expenses where, because of unusual circumstances, the per diem allowance would be much less than actual expenses. In addition, it would increase from \$10 to \$15 the maximum per diem allowance for persons serving without compensation or at the rate of \$1 a year and would provide per diem for those individuals at rates paid to other Federal employees for travel outside the continental United States.

Of the three bills, the Department understands that H. R. 4918 incorporates recommendations made by the Bureau of the Budget after a governmentwide survey of per diem and subsistence allowances. The Department, therefore, recommends the enactment of H. R. 4918, rather than the other two bills.

Experience in the Department has demonstrated that under existing conditions it is necessary to pay a minimum of about \$6 per day for a hotel room. In many cases, it is not unusual to pay from \$7 to \$10 a day for a hotel room. For meals, a minimum of between \$4 and \$5 is necessary. Employees also have additional expenses for laundry, tips, and other items. It is thus clear that the present maximum rate of \$9 a day per diem is inadequate under prevailing price levels and the employees in many instances suffer a personal loss.

As a specific example of the inadequacy of the existing rate for per diem, the case of the Secret Service agents engaged in the protection of the President may be cited. When traveling by Presidential train, the prices of the meals aboard the train are comparable to prices in expensive restaurants. When the President

stays at a hotel, the agents must necessarily be in rooms near the Presidential suite. The daily cost of an agent's hotel room in those circumstances consumes the major portion of the agent's per diem allowance, even when more than one agent occupies the same room. Agents assigned to accompany the President thus are often required to spend their personal funds for a portion of their subsistence expenses. On extended trips, the monetary loss to these agents may be considerable. The practical effect is that Secret Service agents assigned to Presidential-protection duties suffer a reduction in salary.

In the administration of the higher per diem rate that would be established by H. R. 4918, the Department would not automatically increase the per diem allowance to the maximum rate. Per diem would be paid on a varying scale, depending on the circumstances and conditions under which the travel is performed. For example, many Treasury employees travel in rural areas where the cost of lodging and meals are less expensive than in urban areas, and the per diem rate would be established accordingly. It would be the Department's policy to use such rates as would protect the interests of both the Government and the employee.

With respect to the treatment of per diem for income-tax purposes, the income-tax regulations (Regulations 118, sec. 39.23 (a)-2) require an individual who receives a salary and also an allowance for meals and lodging, as, for example, a per diem allowance in lieu of subsistence, to include the amount of the per diem allowance in gross income. However, the cost of such meals and lodging may be deducted from gross income. The regulations also require the taxpayer to attach a statement to his return in support of any such deductions showing, among other things, the total amount of expenditures incident to meals and lodging while absent from home on business. The regulations further provide that the employee, if requested to do so, must substantiate deductions by evidence showing in detail the amount and nature of the expenses incurred.

The Internal Revenue Service has not made any study and has not compiled any statistics from the income-tax returns of Federal employees which would reflect the experience of such employees with the present rate of the per diem allowance. To obtain such information, a special study would be necessary which would entail obtaining from each agency a list of names and addresses of employees who receive reimbursement for travel, selecting a representative sample of those employees and withdrawing their returns, developing a report form, entering the information on the form, in the district offices, forwarding the forms to the national office, and preparing tabulations and analyzing the results.

If such a study were made, it would take several months to complete and there would be doubt as to whether the study would form a valid basis for evaluating the adequacy of the present per diem allowance. In completing tax returns, not all employees would handle per diem in the same manner. It is to be expected that some employees who receive a per diem allowance would report as a deduction an amount equal to the amount of per diem received and would not claim as a deduction subsistence expenses in excess of the amount of per diem. It would not be possible to distinguish those cases from cases where the amount received was actually the amount expended.

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, April 15, 1955.

HON. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives, Washington, D. C.*

DEAR CONGRESSMAN DAWSON: This is in further response to your requests for my views on H. R. 4918, a bill to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses and for other purposes, and H. R. 3950 and H. R. 4169, bills to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

Experience has demonstrated the inadequacy of the present maximum per diem allowance. Many employees find it necessary to supplement their official travel allowances with personal funds to meet legitimate travel expenses. An increase in the maximum per diem allowance to \$13, as proposed by H. R. 4918, to carry out the President's recommendation in this regard, has my full support. I also approve of the provision in H. R. 4918 authorizing reimbursement for actual and necessary expenses of travel (up to a maximum amount specified in

the travel authorization) in unusual circumstances where the per diem allowance would be much less than those expenses. I do not consider, however, that a 66⅔-percent increase in the per diem allowance, from \$9 to \$15, as proposed by H. R. 3950 and H. R. 4169, is justified.

Present travel costs also require that the maximum per diem allowance for civilians performing work for the Federal Government without compensation be revised upward. An increase in this allowance for official travel by these Federal employees within the limits of the continental United States from \$10 to \$15, as provided in H. R. 4918, is reasonable.

The proposal contained in H. R. 4918 for regulation of travel rates for civilian employees who travel as witnesses on behalf of the United States by the Travel Expense Act of 1949, as amended, rather than by separate legislation, appears to be appropriate, and I have no objection to its enactment.

Our information does not disclose need at this time for the changes proposed by H. R. 3950 and H. R. 4169 in the mileage allowances for use of private motor vehicles in official travel.

The Bureau of the Budget advises that it has no objection to the submission of this report and that enactment of H. R. 4918 would be in accord with the program of the President.

Sincerely yours,

JAMES P. MITCHELL, *Secretary of Labor.*

The CHAIRMAN. And if there is no further business, we will stand adjourned. And we will have copies of the testimony presented for your perusal and the persual of the other members, Mr. Jonas. And we will meet to discuss the matter.

Thank you very much for your patience.

We trust further that you will bring forth the proper legislation.

We are adjourned.

(Whereupon, at 12:35 p. m., the subcommittee adjourned.)

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H. R. 3950

AN ACT TO AMEND THE ACT OF MARCH 3, 1879, RELATIVE TO THE NATIONAL BUREAU OF FIREARMS

Approved July 1, 1906.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That the following be and they are hereby enacted:

A BILL

To amend the act of March 3, 1879, relative to the National Bureau of Firearms, and to provide for the collection of the same.

1. In the act of March 3, 1879, relative to the National Bureau of Firearms, the following words are hereby amended:

2. "The National Bureau of Firearms shall be established in the Department of the Interior, and shall be under the immediate supervision of the Secretary of the Interior."

3. The act of March 3, 1879, relative to the National Bureau of Firearms, is hereby amended so that the same shall read as follows:

4. "The National Bureau of Firearms shall be established in the Department of the Interior, and shall be under the immediate supervision of the Secretary of the Interior."

H. R. 3950

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 10, 1955

Mr. WITHROW introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Travel Expense Act of
4 1953".

5 SEC. 2. Section 3 of the Act of June 9, 1949 (5 U. S. C.
6 836-837) is amended by striking the figure "\$9" and in-
7 serting "\$15" in lieu thereof.

8 SEC. 3. Section 4 of said Act is amended by striking
9 the figures "4 cents" and "7 cents" and inserting "6 cents"
10 and "12 cents", respectively, in lieu thereof.

11 SEC. 4. This Act shall take effect no later than thirty
12 days following its enactment.

84TH CONGRESS
1ST SESSION

H. R. 3950

A BILL

To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

By Mr. WITHROW

FEBRUARY 10, 1955

Referred to the Committee on Government Operations

H. R. 4169

TO AMEND THE ACTS RELATIVE TO THE

INTERNAL REVENUE

AND TO PROVIDE FOR THE COLLECTION OF THE SAME

IN THE DISTRICT OF COLUMBIA

A BILL

FOR THE PURPOSE OF AMENDING THE ACTS RELATIVE TO THE

INTERNAL REVENUE AND TO PROVIDE FOR THE COLLECTION OF THE SAME

IN THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

OF THE UNITED STATES OF AMERICA

IN SENATE

APRIL 1, 1907

H. R. 4169

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 1955

Mr. CHUDOFF introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Travel Expense Act of
4 1955".

5 SEC. 2. Section 3 of the Act of June 9, 1949 (5 U. S. C.
6 836-837) is amended by striking the figure "\$9" and in-
7 serting "\$15" in lieu thereof.

8 SEC. 3. Section 4 of said Act is amended by striking the
9 figures "4 cents" and "7 cents" and inserting "6 cents" and
10 "12 cents", respectively, in lieu thereof.

11 SEC. 4. This Act shall take effect no later than thirty
12 days following its enactment.

A BILL

To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

By Mr. CHUDOFF

FEBRUARY 17, 1955

Referred to the Committee on Government Operations

H. R. 4918

OF THE HOUSE OF REPRESENTATIVES

IN SENATE

APPROVED BY THE HOUSE OF REPRESENTATIVES
ON MAY 1, 1907

A BILL

TO AMEND THE ACT OF MARCH 3, 1879, RELATIVE TO THE
MANNER OF ASSESSING AND COLLECTING THE
TAXES ON THE PROFITS AND INCOME OF
INDIVIDUALS.

AS ENACTED BY THE HOUSE OF REPRESENTATIVES
ON MAY 1, 1907

AND BY THE SENATE ON MAY 1, 1907

A BILL

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84TH CONGRESS
1ST SESSION

H. R. 4918

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 1955

Mr. DAWSON of Illinois introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 3 of the Travel Expense Act of 1949 (63 Stat.
4 166, as amended; 5 U. S. C. 836) is further amended by
5 striking “\$9” and inserting in lieu thereof “\$13”; and by
6 striking the period at the end thereof and adding the follow-
7 ing additional proviso: “*And provided further, That where*
8 *due to the unusual circumstances of a travel assignment with-*
9 *in the limits of the continental United States such maximum*

1 per diem allowance would be much less than the amount
2 required to meet the actual and necessary expenses of the
3 trip, the heads of departments and establishments may, in
4 accordance with regulations promulgated by the Director,
5 Bureau of the Budget, pursuant to section 7, prescribe con-
6 ditions under which reimbursement for such expenses may be
7 authorized in advance of the performance of a trip on an
8 actual expense basis not to exceed a maximum amount to be
9 specified in the travel authorization.”

10 SEC. 2. Section 5 of the Administrative Expenses Act
11 of 1946 (60 Stat. 808; 5 U. S. C. 73b-2) is amended by
12 striking “\$10 per diem” and inserting in lieu thereof “\$15
13 per diem within the limits of the continental United States
14 and, beyond such limits, not to exceed the rates of per diem
15 established by the Director of the Bureau of the Budget
16 pursuant to section 3 of the Travel Expense Act of 1949,
17 as amended (5 U. S. C. 836) ”.

18 SEC. 3. The first sentence of section 1823 (a) of title
19 28, United States Code, is amended by striking the portion
20 “and if travel is made by privately owned automobile mile-
21 age at a rate not to exceed 7 cents per mile, together with
22 a per diem allowance not to exceed \$9 in lieu of subsistence”
23 and inserting in lieu thereof “or, if travel is made by privately
24 owned automobile, at a rate not to exceed that prescribed
25 in section 4 of the Travel Expense Act of 1949, together

3

1 with a per diem allowance in lieu of subsistence not to exceed
2 the rates of per diem as described in, or established pursuant
3 to, section 3 thereof”.

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

By Mr. Dawson of Illinois

MARCH 15, 1955

Referred to the Committee on Government Operations

7

S. 1580

IN THE SENATE OF THE UNITED STATES

MARCH 30 (legislative day, MARCH 10), 1955

Mr. JOHNSTON of South Carolina introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

A BILL

To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Travel Expense Act of
4 1955".

5 SEC. 2. Section 3 of the Act of June 9, 1949 (5 U. S. C.
6 836-837) is amended by striking the figure "\$9" and
7 inserting "\$13" in lieu thereof.

8 SEC. 3. Section 4 of said Act is amended by striking
9 the figures "4 cents" and "7 cents" and inserting "6 cents"
10 and "10 cents", respectively, in lieu thereof.

11 SEC. 4. This Act shall take effect no later than thirty
12 days following its enactment.

A BILL

To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

By Mr. JOHNSTON of South Carolina

MARCH 30 (legislative day, MARCH 10), 1955

Read twice and referred to the Committee on Post
Office and Civil Service

A BILL

TO AMEND THE ACT RELATIVE TO THE REGISTRATION OF VOTERS, PASSED APRIL TWENTY, ONE THOUSAND NINE HUNDRED AND SEVEN, AND TO REPEAL AN ACT PASSED APRIL TWENTY, ONE THOUSAND NINE HUNDRED AND SEVEN, RELATIVE TO THE REGISTRATION OF VOTERS.

ENACTED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEW YORK, JANUARY TWENTY, ONE THOUSAND NINE HUNDRED AND TWENTY.

ALBANY: JAMES BRONKHORST, STATE PRINTER, 1922.

84TH CONGRESS
1ST SESSION

S. 1795

IN THE SENATE OF THE UNITED STATES

APRIL 25, 1955

Mr. JACKSON (by request) introduced the following bill; which was read twice and referred to the Committee on Government Operations

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 3 of the Travel Expense Act of 1949 (63 Stat.
4 166, as amended; 5 U. S. C. 836) is further amended by
5 striking “\$9” and inserting in lieu thereof “\$13”; and by
6 striking the period at the end thereof, inserting a colon, and
7 adding the following additional proviso: “*And provided fur-*
8 *ther,* That where due to the unusual circumstances of a travel
9 assignment within the limits of the continental United States

1 such maximum per diem allowance would be much less than
2 the amount required to meet the actual and necessary
3 expenses of the trip, the heads of departments and establish-
4 ments may, in accordance with regulations promulgated by
5 the Director, Bureau of the Budget, pursuant to section 7,
6 prescribe conditions under which reimbursement for such
7 expenses may be authorized in advance of the performance
8 of a trip on an actual expense basis not to exceed a maximum
9 amount to be specified in the travel authorization.”

10 SEC. 2. Section 5 of the Administrative Expenses Act
11 of 1946 (60 Stat. 808; 5 U. S. C. 73b-2) is amended
12 by striking “\$10 per diem” and inserting in lieu thereof
13 “\$15 per diem within the limits of the continental United
14 States and, beyond such limits, not to exceed the rates of
15 per diem established by the Director of the Bureau of the
16 Budget pursuant to section 3 of the Travel Expense Act of
17 1949, as amended (5 U. S. C. 836).”

18 SEC. 3. The first sentence of section 1823 (a) of title
19 28, United States Code, is amended by striking the portion
20 “and if travel is made by privately owned automobile mileage
21 at a rate not to exceed 7 cents per mile, together with a
22 per diem allowance not to exceed \$9 in lieu of subsistence”
23 and inserting in lieu thereof “or, if travel is made by pri-
24 vately owned automobile, at a rate not to exceed that pre-
25 scribed in section 4 of the Travel Expense Act of 1949,

1 together with a per diem allowance in lieu of subsistence
2 not to exceed the rates of per diem as prescribed in, or
3 established pursuant to, section 3 thereof.”

4 SEC. 4. The proviso in the paragraph designated “In-
5 quiries and investigations” under the heading “Contingent
6 Expenses of the Senate” in the Legislative Appropriation
7 Act, 1955, is amended by striking out “\$9” and inserting
8 in lieu thereof “\$13”.

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

By Mr. JACKSON

APRIL 25, 1955

Read twice and referred to the Committee on
Government Operations

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 27, 1955
For actions of April 26, 1955
84th-1st, No. 68

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HIGHLIGHTS: Senate passed USDA appropriation bill. Upon reconsideration, Senate again passed bill authorizing additional acreage allotments for freeze areas, etc. Senate committee voted to report trade agreements bill. Senate committee voted to report bill to increase travel allowances. House committee ordered reported bill for Federal cooperation in non-Federal reclamation projects. Rep. Hagen objected to request that House concur in Senate amendments on bill to increase rice allotments. Sen. Wiley introduced and discussed bill to remove milk trade barriers. Sen. McClellan introduced and discussed bill to establish joint budget committee.

SENATE

AGRICULTURAL APPROPRIATION BILL, 1956. Passed with amendments this bill, H. R. 5329 (pp. 4324-43). Sens. Russell, Hayden, Hill, Robertson, Ellender, Young, McCarthy, and Mundt were appointed Senate conferees (p. 4343). Agreed to all committee amendments, except that the item on research was further amended, by an amendment offered by Sen. Stennis, to provide \$40,000 additional with the intention that it be used for home economics work (pp. 4326-33). Sen. Stennis recommended that the Department establish an advisory committee on home economics research (p. 4331). Rejected, 76-5, an amendment by Sen. Williams to decrease the advance ACP authorization from \$250,000,000 to \$175,000,000 for 1956 (pp. 4333-7, 4340-1). Sen. Mansfield recommended additional funds for ARS for the Milk River mosquito-control program in Mont. (pp. 4338-40). Sen. Humphrey criticized the increase in interest rate on emergency loans (p. 4335). Sens. Young and Williams debated wheat price supports (pp. 4336, 4340-1). Sens. Douglas, Russell, and others discussed the bill to repeal the REA State formula and the possibility of additional REA funds if this bill is not enacted (pp. 4342-3). Sen. Robertson inserted a letter from the Appalachian Apple Service requesting discontinuance of USDA apple-price predictions (p. 4343). Sen. Payne suggested that the Department enlist State support of the gypsy moth control program (pp. 4324-6).

2. ACREAGE ALLOTMENTS. Upon reconsideration (requested by Sen. Williams), again

passed as reported S. 1628, to authorize additional acreage allotments for farmers whose crops are destroyed or damaged by freeze, hail, etc. (pp. 4343-7).

3. REORGANIZATION. Passed without amendment S. 1763, to extend the termination date of the Hoover Commission through June 30, 1955 (pp. 4337-8).
4. FORESTRY. The Interior and Insular Affairs Committee voted to report without amendment S. 52, to amend the act to protect scenic values in the Coconino National Forest, Ariz. (p. D334).
5. SUGAR. Sen. Magnuson submitted amendments which he intends to propose to S. 1635, to extend the Sugar Act of 1948 and increase the mainland quotas (p. 4312).
6. TRADE AGREEMENTS. The Finance Committee ordered favorably reported with amendments H. R. 1, to extend the authority of the President to enter into trade agreements. The "Daily Digest" states that the following major amendments were adopted: As a substitute for all amendments relating to commodities, an amendment authorizing the President to take such action as he deems necessary to adjust imports of any article, if such article is being imported in such quantities as to threaten the national security; and an amendment to strengthen the escape-clause provisions of the law. (p. D334.)
7. RECLAMATION; LANDS. The Interior and Insular Affairs Committee ordered favorably reported with amendments S. 300, authorizing the construction, operation, and maintenance of the Fryingpan-Arkansas project, Colo. (major amendment would reduce repayment provisions from 70 to 60 years due to downward revision in estimated construction costs); S. 265, to amend acts authorizing agricultural entries under nonmineral land laws of certain mineral lands so as to increase limitation on desert entries made under such acts to 320 acres; and without amendment S. 748, to prohibit the U. S. from acquiring mineral interests in lands acquired by it except when necessary to serve the purpose for which such lands are acquired (p. D334).
8. TRAVEL. The Post Office and Civil Service Committee ordered favorably reported without amendment S. 1580, to increase the maximum per diem and subsistence allowance of Federal employees from \$9 to \$13 per day, and the maximum auto allowance from 7 to 10 cents per mile (p. D335).
9. RECESSED until Thurs., Apr. 28 (p. 4349).

HOUSE

10. RICE ALLOTMENTS. Rep. Hagen objected to a motion to concur in Senate amendments to H. R. 4647, to increase rice acreage allotments, and stated that the bill as passed by the Senate makes special provision for one and possibly two States, at the disadvantage of the rest of the rice-growing States (pp. 4371-2).
11. FARM LOANS. The Veterans' Affairs Committee reported without amendment H. R. 5715, to extend the authority of the Veterans' Administration to continue through June 30, 1956, to make direct loans to veterans, and to authorize \$150,000,000 therefor (H. Rept. 447) (p. 4374). The Committee was authorized to file the report by midnight, Apr. 26 (p. 4370).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 12, 1955
For actions of May 11, 1955
84th-1st, No. 77

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HIGHLIGHTS: House committee reported surplus-commodities donation bill. House concurred in Senate amendments to bill relieving innocent purchasers of converted goods from CCC claims. Ready for President. House members commended REA program. House debated reserve manpower bill and defense appropriation bill. Senate committee reported bill to increase per diem allowances. Senators commended REA program.

HOUSE

- SURPLUS COMMODITIES.** The Agriculture Committee reported with amendment H. R. 2851, to authorize CCC to process food commodities for donation to the needy (H. Rept. 583)(p. 5255). For provisions of this bill as reported, see Digest No. 72.
Reps. Murray and Mack, both of Ill., spoke against plans of the State Government to discontinue certain relief distribution of surplus foods there (pp. 5238-9).
- CCC CLAIMS.** Concurred in the Senate amendments to H. R. 1831, to protect innocent purchasers of fungible goods converted by warehousemen from CCC claims (p. 5195). This bill will now be sent to the President.
- DEFENSE APPROPRIATION BILL FOR 1956.** Began debate on this bill, H. R. 6042 (pp. 5195-6, 5200-222).
- RESERVE MANPOWER.** Began debate on H. R. 5297, to provide for strengthening the Reserve Forces for national defense (pp. 5196-200).
- RURAL ELECTRIFICATION.** Several members commended the REA program on its anniversary (pp. 5223-37).
- LAND TRANSFER.** The Agriculture Committee reported with amendment H. R. 1762, to

sell an ARS land tract to Woodward, Okla. (H. Rept. 584)(p. 5255).

7. TRADE AGREEMENTS. Rep. Hand criticized the trade agreements program (pp. 5237-8).
8. PRICE DISCRIMINATION. Rep. Patman inserted his statement favoring the Robinson-Patman Act and additional anti-price discrimination legislation (pp. 5239-54).
9. LEGISLATIVE PROGRAM. Majority Whip Albert announced that the House is expected to adjourn from today until Mon. if action on the defense appropriation bill is completed. Agreed to have the consent calendar called Tues. (p. 5222.)

SENATE

10. TRAVEL EXPENSES. The Post Office and Civil Service Committee reported without amendment S. 1580, to increase the maximum per diem and subsistence allowance of Federal employees from \$9 to \$13 per day, and the maximum auto allowance from 7 to 10 cents per mile (S. Rept. 348) (p. 5109).
11. POSTAL PAY. Agreed to the conference report on S. 1, the postal pay bill (pp. 5174-8). This bill will now be sent to the President.
12. PERSONNEL. Agreed to, as reported, S. Res. 33, providing for an investigation by the Post Office and Civil Service Committee, of the administration of the civil service system by the Civil Service Commission and other Government agencies (p. 5179).
13. SUGAR QUOTAS. Sen. Allott inserted a Denver Chamber of Commerce resolution urging immediate domestic sugar quota increases (pp. 5105-6).
14. FORESTRY. Sen. McNamara inserted a University of Michigan resolution requesting adequate funds for the Forest Service for the development of recreational facilities and for wildlife management on the national forests (p. 5107).
15. WATER POLLUTION. Sen. Humphrey inserted a Minn. Water Pollution Control Commission resolution opposing S. 890, a bill to amend and extend the Water Pollution Control Act (p. 5108).
16. REAL PROPERTY. Sen. Humphrey inserted a City Council of St. Paul, Minn., resolution recommending passage of S. 1566, proposing payments to State and local governments on Federal real property (p. 5108).
17. ELECTRIFICATION: WATER RESOURCES. Sen. Neuberger criticized the administration's water resource and power development policies, and inserted several newspaper articles on this subject (pp. 5143-4).
Sens. Johnson, McClellan, Fulbright, Morse, and others, commended REA on its 20th anniversary, discussed the development of the rural electrification program, and stated "it has been an institution characterized by wise management, sound business practice, and by the extension of credit at reasonable rates of interest over a long period of time" (pp. 5144-60, 5182-6).
18. RECESSED until Friday, May 13 (p. 5179).

Calendar No. 352

84TH CONGRESS }
1st Session }

SENATE

{ REPORT
No. 348

TRAVEL EXPENSE ACT OF 1955

MAY 11 (legislative day, MAY 2), 1955.—Ordered to be printed

Mr. PASTORE, from the Committee on Post Office and Civil Service,
submitted the following

R E P O R T

[To accompany S. 1580]

The Committee on Post Office and Civil Service, to whom was referred the bill (S. 1580) to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government, having considered the same, report favorably thereon without amendment, and recommend that the bill do pass.

PURPOSE

S. 1580 would amend sections 3 and 4 of the Travel Expense Act of 1949 (5 U. S. C. 836-837) to raise the maximum allowable per diem rate for travel within the continental United States from \$9 to \$13, and the maximum mileage rates, for the use of privately owned motorcycles and automobiles, from 4 and 7 cents to 6 and 10 cents, respectively.

JUSTIFICATION

The existing maximum per diem allowance for civilian employees while traveling within the limits of the United States is limited to \$9 by the Travel Expense Act of 1949. The rate of \$13 provided by this enactment is based on an allowance of \$7.30 for hotel room, \$4.50 for meals, and \$1.20 for incidental expenses. These amounts are based upon the following:

Hotel costs.—A large hotel accounting firm found, upon a study of room rates of 375 hotels used by businessmen in traveling, that the average room rate for a single room during 1954 was \$7.30.

Cost of meals.—The allowance of \$4.50 is based upon a similar study and allocates \$1 for breakfast, \$1.25 for luncheon, and \$2.25 for dinner. Two hotel accounting firms report that the price of hotel and restaurant meals has increased not less than 20 percent since 1949.

Incidental expenses.—The \$1.20 for incidentals is intended to cover such items of expense as tips and fees while traveling, hotel tips, tips to waiters, laundry, cleaning and pressing, telegrams for room reservations, etc.

COST

The Bureau of the Budget estimates the total additional cost of this bill will not exceed a maximum of \$30 million a year and its actual cost may be several million dollars a year less.

AGENCY REPORTS

Following are agency reports on S. 1580 as introduced and reported:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 14, 1955.

HON. OLIN D. JOHNSTON,
*Chairman, Committee on Post Office and Civil Service,
United States Senate, Washington, D. C.*

MY DEAR MR. CHAIRMAN: This will acknowledge your letter of April 1, 1955, inviting the Bureau of the Budget to comment on S. 1580, to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

In his message to the Congress on Federal personnel management the President stated that a legislative proposal would be submitted for an appropriate increase in the per diem allowance for civilian employees who travel on official business. On March 8 the Bureau of the Budget transmitted to the President of the Senate and the Speaker of the House a draft bill which would carry out the President's recommendation. Copies of this correspondence, which was referred to the Committee on Government Operations, are enclosed for your information.

Briefly, the Bureau's bill proposes that the maximum per diem travel allowance be increased from \$9 to \$13; that special provision be made for unusual types of travel where the maximum rate would be much less than the necessary actual expenses incurred; that present mileage allowances remain unchanged; that the maximum per diem allowance for civilians performing work for the Government without compensation be increased from \$10 to \$15; and that the travel rates for civilian employees who travel as witnesses on behalf of the United States be governed by the Travel Expense Act of 1949, as amended, rather than by separate legislation.

These proposed amendments were developed after extensive study and consultation with the major agencies of the Government. It is suggested that if your committee plans to take up legislation amending the Travel Expense Act, consideration be given to the changes proposed by the Bureau's bill.

Sincerely yours,

PERCIVAL F. BRUNDAGE,
Acting Director.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., May 10, 1955.

HON. OLIN D. JOHNSTON,
*Chairman, Committee on Post Office and Civil Service,
United States Senate.*

DEAR SENATOR JOHNSTON: This is in further reply to your letter of April 1, 1955, requesting the views of the Civil Service Commission on S. 1580, a bill to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

Section 2 of the bill would increase the maximum per diem allowance from \$9 to \$13 for Federal civilian employees who travel on official business within the limits of the continental United States. Section 3 would increase from 4 cents per mile to 6 cents per mile the allowance to employees for use of their privately owned motorcycles, and from 7 cents per mile to 10 cents per mile for use of their privately owned automobiles or airplanes, when traveling on official business.

On March 8, 1955, the Bureau of the Budget submitted to the Congress a legislative proposal which, among other things, would increase the maximum per diem allowance from \$9 to \$13 for civilian employees who travel on official business within the limits of the continental United States. A study by the Bureau of the Budget indicated such an increase was warranted on the basis of average hotel room rates, the increased price of hotel restaurant meals, and the increased cost of incidental expenses. The Commission endorses this provision of S. 1580.

The administration's legislative proposal recommends against any increase in mileage allowances to employees for use of privately owned vehicles while traveling on official business. No change in the present allowances was found to be justified on the basis of cost figures for the operation of automobiles, and the average mileage allowances most commonly used by private companies which compensate their employees on a flat mileage basis for use of personal cars on company business. The Commission does not favor section 3 of S. 1580.

The administration's legislative proposal also recommends three other changes in the present travel allowances. They are: (1) a special provision for unusual types of travel where the maximum rate would be much less than the necessary actual expenses incurred; (2) an increase from \$10 to \$15 in the maximum per diem allowance for employees serving without compensation; and (3) that travel rates for civilian employees who travel as witnesses on behalf of the United States be governed by the Travel Expense Act of 1949, as amended, rather than by separate legislation.

Because S. 1580 does not carry out all the recommendations contained in the administration's legislative proposal, we strongly recommend favorable action on the draft bill submitted to the Congress on March 8, 1955, instead of S. 1580.

We are advised that the Bureau of the Budget has no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

PHILIP YOUNG, *Chairman.*

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, April 19, 1955.

Hon. OLIN D. JOHNSTON,
*Chairman, Committee on Post Office and Civil Service,
United States Senate.*

DEAR MR. CHAIRMAN: Reference is made to your letter of April 1, 1955, acknowledged by telephone April 6, enclosing copies of S. 1580, 84th Congress, and requesting our report and comments thereon.

The bill would amend sections 3 and 4 of the Travel Expense Act of 1949 (63 Stat. 166). Specifically, the maximum allowable per diem rate for travel within the continental United States would be raised from \$9 to \$13, and the maximum mileage rates, for the use of privately owned motorcycles and automobiles, from 4 and 7 cents to 6 and 10 cents, respectively.

With respect to the maximum per diem rate contemplated by the bill, upon the basis of recent experiences by employees of our Office the existing maximum rate of \$9 is inadequate. We have found generally that our employees are required to expend approximately \$12 per day for suitable lodging, meals, and additional necessary subsistence expenses incident to official travel. We recognize, however, that governmentwide experience may reflect a need for a maximum per diem of \$13. Accordingly, it is recommended that section 3 of the Travel Expense Act of 1949 be amended by eliminating the figure "\$9" and substituting either "\$12" or "\$13" in lieu thereof, as the overall facts presented to your committee may warrant.

Concerning the proposed increased mileage rates for the use of privately owned motorcycles and automobiles, there is no information available here relative to the necessity therefor.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTIONS 3 AND 4 OF THE TRAVEL EXPENSE ACT OF 1949

SEC. 3. Civilian officers and employees of the departments and establishments (except justices and judges covered by section 456 of title 28 of the United States Code), while traveling on official business and away from their designated posts of duty, shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance to be prescribed by the department or establishment concerned, not to exceed the rate of **[\$9]** \$13 within the limits of the continental United States and in case of travel beyond the limits of the continental United States not to exceed rates established by the Director of the Bureau of the Budget for the locality in which the travel is performed: *Provided*, That such civilian officers and employees who become incapacitated due to illness or injury, not due to their own misconduct, while traveling on official business and away from their designated posts of duty, shall be allowed such per diem allowances, and transportation expenses to their designated posts of duty, in accordance with regulations promulgated and approved under this Act.

SEC. 4. Civilian officers or employees of departments and establishments or others rendering service to the Government shall, under regulations prescribed by the Director of the Bureau of the Budget, and whenever such mode of transportation is authorized or approved as more advantageous to the Government (except that no determination of advantage is required where payment on a mileage basis is limited to the cost of travel by common carrier, including per diem), be paid in lieu of actual expenses of transportation not to exceed **[4]** 6 cents per mile for the use of privately owned motorcycles, or **[7]** 10 cents per mile for the use of privately owned automobiles or airplanes, when engaged on official business within or outside their designated posts of duty or places of service. In addition to the mileage allowances provided for in this section, there may be allowed reimbursement for the actual cost of ferry fares, and bridge, road, and tunnel tolls.

84TH CONGRESS
1ST SESSION

S. 1580

[Report No. 348]

IN THE SENATE OF THE UNITED STATES

MARCH 30 (legislative day, MARCH 10), 1955

Mr. JOHNSTON of South Carolina introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

MAY 11 (legislative day, MAY 2), 1955

Reported by Mr. PASTORE, without amendment

A BILL

To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Travel Expense Act of
4 1955".

5 SEC. 2. Section 3 of the Act of June 9, 1949 (5 U. S. C.
6 836-837) is amended by striking the figure "\$9" and
7 inserting "\$13" in lieu thereof.

8 SEC. 3. Section 4 of said Act is amended by striking
9 the figures "4 cents" and "7 cents" and inserting "6 cents"
10 and "10 cents", respectively, in lieu thereof.

11 SEC. 4. This Act shall take effect no later than thirty
12 days following its enactment.

84TH CONGRESS
1ST SESSION**S. 1580**

[Report No. 348]

A BILL

To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

By Mr. Johnston of South Carolina

MARCH 30 (legislative day, MARCH 10), 1955

Read twice and referred to the Committee on Post
Office and Civil Service

MAY 11 (legislative day, MAY 2), 1955

Reported without amendment

BASIL THEODOSSIOU

The bill (H. R. 2354) for the relief of Basil Theodossiou was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH ANN GIAMPIETRO

The bill (H. R. 2361) for the relief of Elizabeth Ann Giampietro was considered, ordered to a third reading, read the third time, and passed.

SING FONG YORK

The bill (H. R. 2731) for the relief of Sing Fong York was considered, ordered to a third reading, read the third time, and passed.

BENT PETERSON

The bill (H. R. 2762) for the relief of Bent Peterson was considered, ordered to a third reading, read the third time, and passed.

VICTOR AND IRENE-WANDA GOLDSTEIN

The bill (H. R. 2764) for the relief of Victor and Irene-Wanda Goldstein was considered, ordered to a third reading, read the third time, and passed.

MRS. ELFRIEDE MAJKA GRIFASI

The bill (H. R. 2941) for the relief of Mrs. Elfriede Majka Grifasi was considered, ordered to a third reading, read the third time, and passed.

MRS. IRENE EMMA ANDERSON

The bill (H. R. 2954) for the relief of Mrs. Irene Emma Anderson was considered, ordered to a third reading, read the third time, and passed.

RENE RACHELL LUYSE KUBICEK

The bill (H. R. 4043) for the relief of Rene Rachell Luyse Kubicek was considered, ordered to a third reading, read the third time, and passed.

DR. CRISTJO CRISTOFV, HIS WIFE JORDANA DILOVA CRISTOFV, AND HIS CHILDREN GEORGE AND DAPHNE-KREMENA CRISTOFV

The Senate proceeded to consider the bill (H. R. 957) for the relief of Dr. Cristjo Cristofv, his wife Jordana Dilova Cristofv, and his children George and Daphne-Kremena Cristofv, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 9, after the word "fees", to strike out "and head taxes."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FEDERICO UNGAR FINALY

The Senate proceeded to consider the bill (H. R. 1012) for the relief of Federico Ungar Finaly, which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

NICHOLS JOHN MANTICAS, ANNE FRANCIS MANTICAS, YVONNE MANTICAS, MARY MANTICAS, AND JOHN MANTICAS

The Senate proceeded to consider the bill (H. R. 1328) for the relief of Nicholas John Manticas, Anne Francis Manticas, Yvonne Manticas, Mary Manticas, and John Manticas, which had been reported from the Committee on the Judiciary with amendments, on page 1, at the beginning of line 5, to strike out "Yvonne Manticas"; and in line 11, after the word "deduct", to strike out "five" and insert "four."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill for the relief of Nicholas John Manticas, Anne Francis Manticas, Mary Manticas, and John Manticas."

BILL AND RESOLUTION PASSED OVER

Mr. ERVIN. Mr. President, with reference to Calendar No. 352, Senate bill 1580, to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government; and Calendar No. 353, Senate Resolution 35, providing for a study of merchant marine training and education in the United States, I ask that those measures be passed over.

The PRESIDING OFFICER. The measures will be passed over.

That completes the call of the calendar.

ELIGIBILITY FOR CONSERVATION PAYMENTS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate proceeded to consider the bill (H. R. 1573) to repeal section 348 of the Agricultural Adjustment Act of 1938.

Mr. ERVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LEHMAN in the chair). Without objection, it is so ordered.

THE ATOMS FOR PEACE PROGRAM

Mr. PAYNE. Mr. President, when one pauses to reflect on this Nation's recent history, it seems incredible that what we have referred to many times as the cold war has been with us for nearly a decade.

In spite of the fear, the anxiety, and the tensions of the past 10 years, however, our people and peoples all over the world have shown a remarkable vitality and energy. We have learned to live with fear and, at the same time, to shape the tools for a better future for ourselves and our families. History will surely record the splitting of the atom as the most significant achievement in the first half of the 20th century.

Largely because of that momentous development we have come to refer more and more to the struggle between the free world and the Communist world as one of competitive coexistence. Slowly we are beginning to realize that another war, bringing with it a frightful rain of atomic destruction, would be suicidal for all of civilization. We are reaching the point of atomic stalemate. That fact can give us hope for the future. For while the issues of conflict still remain between the free nations and the Communist world, we can hope that atomic developments will act as a deterrent to the unleashing of a third world war.

The alternative to war is coexistence. But, so long as the Communist leaders are bent on achieving world rule, coexistence must remain strongly competitive.

The arsenal of American democracy has many weapons with which to carry on competitive coexistence. The most powerful weapon we have is our sturdy foundation of liberty and democratic ideals. We must be ever vigilant in the defense of those precious liberties and ideals. Only by practicing what we profess to believe can we convince others that we merit support in building the kind of world for which men everywhere long.

In addition to the right to live their lives in their own way, without outside interference, all men look for economic plenty—for a world in which they and their families are well clothed, well housed, and well fed. Here, too, the United States can exercise stirring and dynamic leadership.

Probably the most effective step which the United States has taken in this direction is the implementation of Presi-

dent Eisenhower's atoms-for-peace program.

In the minds of many, America has emerged as a warm and humanitarian nation, interested in peace and plenty for men everywhere. The President's program to harness the atom for peace has done more than any other single action to strike a crippling blow at that Communist propaganda which paints us as a ruthless and warmongering people.

In August the United States will participate with many other nations at an international conference in Geneva to spread information concerning the peaceful uses of the atom. This Conference is the direct outgrowth of the suggestions made by the President before the United Nations nearly a year and a half ago.

The United States has already made a contribution of 220 pounds of uranium 235 to an international pool of fissionable materials for use in encouraging our friends abroad to build their own research reactors. Our Government also plans to build an operating research reactor in Geneva for demonstration purposes at the Conference.

Meanwhile, negotiations are going forward on multilateral agreement which would set up an International Atomic Energy Agency to study new developments in the peaceful uses of the atom.

But this is only a part of the story of how the United States is helping to develop among our friends the technical know-how which can bring the blessings of atomic energy to all men. The Atomic Energy Commission has sent to Italy, Japan, and France comprehensive libraries of unclassified information on the atom, and more libraries are now being prepared for distribution to other friendly nations. Also, 2 of our schools are training 63 scientists and technicians from 29 nations under a Government program to speed the peaceful application of atomic energy.

Two weeks ago, President Eisenhower made the dramatic announcement that he would request funds from Congress for the construction of a nuclear-powered merchant ship which would visit the ports of the world, carrying with it an exhibit on the peaceful uses of the atom. That would be a fitting sequel, indeed, to the construction of the atom-powered submarine, the *Nautilus*. It would be conclusive evidence that our search for peace continues, even while we must remain military strong.

Much has been done and much more remains to be done in our efforts to bring the blessings of peace and scientific development to all men of good will. But President Eisenhower has made a dramatic and successful beginning. He has shifted the spotlight from the horrors of atomic war to the bright new day of atomic peace. He has shown the world that we stand ready to point the way to a better and happier life for all.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPOSURE OF "PARTNERSHIP" POWER SCHEME OF ADMINISTRATION

Mr. NEUBERGER. Mr. President, in recent weeks many people with a sincere interest in the program for Columbia River Basin resource development have been led to believe that the beneficial objectives of river development can only be obtained through a "partnership" between the Federal Government and local utilities.

In effect, they have been told by the Eisenhower administration that the Federal Government will not carry through on these authorized projects which are so badly needed to control the floods which ruin their land unless Congress changes its mind and deauthorizes these Federal projects, turning over the profitable power features to local private utilities.

At the same time, a thoroughly false impression is deliberately created that under partnership these projects could spring into being overnight. This calous attempt to force Congress and the people of Oregon to accept a shotgun partnership is a type of political pressure hitherto unheard of on the American scene. Congress has the responsibility of repudiating the administration's pressure tactics.

Fortunately, some of the enlightened editors in my home State of Oregon have taken on the chore of airing publicly the disadvantages and adverse effects of the inadequate partnership proposals. One of the best analyses of the partnership scheme was written by Mr. Byron C. Brinton, editor of the *Baker (Oreg.) Record-Courier*, in the April 28, 1955, issue of his newspaper.

I ask unanimous consent to have Mr. Brinton's editorial, discussing the partnership proposals of this administration, printed in the *RECORD* at this point.

There being no objection, the editorial was ordered to be printed in the *RECORD*, as follows:

THE NEW JOHN DAY BILL

How much is \$100 million?

We refer specifically to the \$109 million bargain which the Portland private utilities would have walked off with had the Coon-John Day partnership bill of 1954 been swallowed. At that time the private utilities would have walked off with the power from John Day Dam for 50 years and we quote from the bill: "The Secretary of the Army is hereby authorized and directed to enter into a contract with local interests providing for (a) the contribution of funds by such interests in the amount of \$164 million."

Under the bill introduced by Congressman Coon at the instance of President Eisenhower and the Portland private utilities last week, the power syndicate would walk off with the 50 years contracts and we again quote—this time from Coon's 1955 bill: "The Secretary of the Army is hereby authorized and directed to enter into a contract or contracts with qualified applicants * * * providing,

among other things, for (1) the payment of funds by such interests in the amount of \$273 million."

In cold hard reality Coon offered a \$320 million dam in 1954 for \$164 million. Other than President Eisenhower, Secretary McKay, Governor Patterson, and a few others, spearheading the Eisenhower giveaway program, there were not many suckers for this private utility scheme in 1954. Now Coon says the utilities are bidding \$273 million for a \$310 million dam. Yet he recommended in 1954 that you and I accept \$164 million.

In 1954 this writer summarized 10 cardinal points—other than the matter of hard cash—which characterized the Coon partnership bill as the most dangerous piece of financial hokus-pokus ever proposed in Congress. An analysis of the 1955 bill reveals that the new bill puts up a warning sign that the depths of its monopoly manipulation go far deeper than even his former bill dreamed.

Let's look at the blind, dark alley the Coon bill leads the Northwest into.

First. Mr. Coon tells the local county assessor he shall not tax the \$273 million. But he didn't tell you in his analysis of the bill.

Second. Mr. Coon tells the State of Oregon it cannot impose the provisions of its hydroelectric act upon his pet private utilities at John Day. Yet he didn't tell you that also is contemplated under the bill.

Third. Mr. Coon tells the private utilities they need not distribute the power widely with preference to residential or rural customers nor in compliance with low-cost provisions of previous power policies. Yet Mr. Coon didn't tell you that was part of the bill. In fact he purposely spoke of the "widest distribution to domestic and rural customers" to purposely mislead the public.

Fourth. Mr. Coon tells the private utilities they can assign, barter, speculate in, and otherwise deal in their power contracts between each other without the slightest control by the landlord himself—the Secretary of the Interior. Mr. Coon doesn't tell you in his analysis that each private utility holds this automatic option upon the other partner private utilities so that the monopoly can grow tighter but can never be broken. The alley is not only dark and blind but is a one-way gangplank.

Fifth. Mr. Coon tells the private partners he hands them a blank check upon Uncle Sam for "There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act." Nowhere is there a specific guaranty that the partners will pay any sum, but clearly there is an agreement that they will receive 100 percent of the power and most specifically that "the contracts provided for herein shall be deemed contractual obligations of the United States Government" even though this bill prevents the Congress from having any surveillance over the project or the contracts. Yet Mr. Coon has the nerve to casually remark to you in the *CONGRESSIONAL RECORD* that this provision on obligations "makes the obligations of the United States rank equally with those assumed by the local interests."

Sixth. Within 6 months after enactment of the bill 99 percent of the public agencies, and perhaps 100 percent, in the Northwest would be disqualified from participation in the project yet he tells you that "the important thing is who is served—not by whom he is served."

Seventh. Mr. Coon does not reserve John Day power—not a kilowatt—for national defense. He does not tell you that his bill will require that national defense buy it back from private utilities.

Eighth. Mr. Coon tells the private utilities that certain costs at their option may be paid in equal installments over a 50-year

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 17, 1955
For actions of May 16, 1955
84th-1st, No. 80

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HIGHLIGHTS: House received conference report on USDA appropriation bill. House passed salt water research bill. House passed inter-agency fire protection agreements bill. Ready for President. Senate committee ordered reported bill to increase per diem allowances.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1956. Received the conference report on this bill, H. R. 5239 (H. Rept. 590) (pp. 5386-7). Attached to this Digest are statements pertaining to the measure.
2. SALT-WATER RESEARCH. Passed without amendment H. R. 2126, to expand the Interior Department's salt-water research program (pp. 5388-5402).
3. FOREST FIRES. Passed without amendment S. 1006, to authorize the execution of agreements between agencies of the U. S. and other agencies and instrumentalities for mutual aid in fire protection (pp. 5402-4). This bill will now be sent to the President.
4. REORGANIZATION. Passed without amendment S. 1763, to extend for one month (until June 30, 1955) the time for liquidation of the Hoover Commission (p. 5396). This bill will now be sent to the President.
Rep. Karsten insisted that the report of the Hoover Commission Task Force on Water Resources and Power be made public at once (p. 5405).
5. SURPLUS FOOD. Rep. Mack discussed the program for the distribution of surplus commodities in Ill. (p. 5409).
6. APPROPRIATIONS. The Appropriations Committee reported H. R. 6239, the D. C. appropriation bill for 1956 (H. Rept. 589) (p. 5411).
7. LANDS. The Interior and Insular Affairs Committee ordered reported with amendment S. 265 and H. R. 1844, to amend acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase

the limitation with respect to desert entries made under such act; and H. R. 4894, to repeal laws authorizing sale of public lands which are valuable chiefly for timber and stone (p. D419).

8. RECLAMATION. The Interior and Insular Affairs Committee ordered reported with amendment H. R. 4663, to authorize the Trinity River division, Central Valley project, Calif. (p. D419).

SENATE

9. ~~SURPLUS PROPERTY; TRAVEL; BUDGET.~~ The Government Operations Committee ordered reported with amendment H. R. 3322, ~~to amend the Federal Property and Administrative Services Act of 1949, so as to improve the administration of the program for the utilization of surplus property for educational and public health purposes; S. 1795, to amend the Travel Expense Act of 1949, to provide an increased maximum per diem allowance for subsistence and travel expenses; and S. 1805, to amend the Legislative Reorganization Act of 1946 to create a Joint Committee on the Budget (pp. D417-8).~~

BILLS INTRODUCED

10. TRANSPORTATION. H. R. 6246, by Rep. Bonner, to amend section 4153 of the Revised Statutes, as amended, to authorize more liberal propelling power allowances in computing the net tonnages of certain vessels; to Merchant Marine and Fisheries Committee (p. 5411).
H. R. 6271, by Rep. Pelley, providing relief against certain forms of discrimination in interstate transportation; to Interstate and Foreign Commerce Committee (p. 5412).
11. GUAM. H. R. 6254, by Rep. Engle, to implement section 25 (b) of the Organic Act of Guam by carrying out the recommendations of the Commission on the Application of Federal Laws to Guam; to Interior and Insular Affairs Committee (p. 5411).
12. PERSONNEL. H. R. 6255, to amend the Civil Service Retirement Act of May 29, 1930, as amended, to increase the annuities of present and future annuitants to Post Office and Civil Service Committee (p. 5411).
H. R. 6273, by Rep. Teague, Calif., to amend the Civil Service Retirement Act of May 29, 1930, as amended; to Post Office and Civil Service Committee (p. 5412).
13. WATER COMPACT. H. R. 6256, by Rep. George, granting the consent of Congress to the States of Kansas and Oklahoma, to negotiate and enter into a compact relating to their interests in, and the apportionment of the waters of the Arkansas River and its tributaries as they affect such States; to Public Works Committee (p. 5411).
14. RECLAMATION. H. R. 6257, by Rep. Green, Ore., to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects; to Interior and Insular Affairs Committee (p. 5411).
H. R. 6268, by Rep. Metcalf, to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects; to Interior and Insular Affairs Committee (p. 5411).
15. LANDS. H. R. 6278, to authorize the conveyance for public purposes of certain lands in the State of Georgia; to Agriculture Committee (p. 5412).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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Education.....9,18	Personnel.....23,39,45	Uniform allowances.....45
Electrification	Poultry.....32	Veterans benefits.....6
.....12,22,24,35,41	Price supports.....17,30,38	Water research.....21,25
Expenditures.....16	Reclamation.....21,29,35	

HIGHLIGHTS: Both Houses agreed to conference report on agricultural appropriation bill. Ready for President. Senate passed bill to repeal ACP tie-in with acreage allotments. Ready for President. Senate debated bill to repeal REA State formula. Senate committee reported bill to increase per diem allowances. Senate committee ordered reported bills for Mexican fence and for salt-water research. Sen. Humphrey introduced and discussed bill to provide 90% price supports for family-size farms. House passed bill to authorize land banks to purchase FFMC assets. Ready for President. House committee reported measure for USDA study of tobacco controls. House debated reserve manpower bill. House subcommittee voted for bill to increase per diem allowances.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1956. Both Houses agreed to the conference report on this bill, H. R. 5239. The House concurred in the Senate amendment which had been reported in disagreement, to provide for part of the CCC administrative-expense limitation to be placed in reserve. (pp. 5489, 5458-74). This bill will now be sent to the President.
2. FARM LOANS. Passed without amendment S. 941, to authorize the Federal land banks to purchase certain remaining assets of the Federal Farm Mortgage Corporation (pp. 5501, 5519). This bill will now be sent to the President.
3. RESERVE FORCES. Began debate on H. R. 5297, to provide for strengthening of the Reserve Forces (pp. 5519-45).
4. TOBACCO. The Agriculture Committee reported without amendment S. J. Res. 60, directing this Department to study and report to Congress on methods of burley tobacco marketing controls (H. Rept. 596)(p. 5549).
5. ANIMAL DISEASE. Passed without amendment S. 1133, authorizing payment for losses incurred in Iowa in July 1954 on account of vesicular exanthema, which could not

be paid because of a technicality (p. 5505). A companion bill, H. R. 4576, was reported without amendment earlier in the day (H. Rept. 598). S. 1133 will now be sent to the President.

6. FARM LOANS. The Rules Committee reported a resolution for consideration of H. R. 5715, to extend the authority for the Veterans' Administration to make direct loans and to require VA to make additional types of loans (p. 5505).
7. TRAVEL EXPENSE. The "Daily Digest" states: "The Subcommittee on Executive and Legislative Reorganization approved for reporting to the full committee a clean bill (H. R. 6295), to provide for an increase in maximum per diem allowance — from \$9 to \$13 — for subsistence and travel expenses. The bill will be considered by the full committee...tomorrow." (p. D428.)
8. LAND TRANSFER. The Agriculture Committee reported with amendment H. R. 2973, to release reversionary rights to a former FHA tract in Macon County, Ga., to the Ga. Board of Education (H. Rept. 597)(p. 5549).
9. EDUCATION. Passed as reported H. R. 603, to authorize additional land grants to the University of Alaska (p. 5497).
10. ORGANIZATION. Received from the President an amendment to the 1956 Budget for the President's Advisory Committee on Government Organization (H. Doc. 164); to Appropriations Committee (p. 5548).

SENATE

11. SOIL CONSERVATION; ACREAGE ALLOTMENTS. Passed without amendment H. R. 1573, to repeal the provisions prohibiting ACP payments to persons who do not adhere to acreage allotments on basic crops (pp. 5458-74). Rejected, 35 to 49, an amendment in the nature of a substitute, by Sen. Holland (for himself and Sens. Aiken, Anderson, and Watkins), which would have modified Sec. 348 but would not have repealed it (p. 5474). This bill will now be sent to the President.
Sen. Carlson inserted a city of Kansas City, Kans., resolution favoring the continuance of surveys and planning for the conservation of soil and water in Kans. (pp. 5420-1).
Sen. Watkins commended the interest of young people in conservation development and inserted an article written by the Secretary at the request of the young people of Milford Elementary School, "Youth's Part in Conservation" (pp. 5446-7).
12. RURAL ELECTRIFICATION. Began debate on S. 153, to amend the Rural Electrification Act so as to eliminate the requirement that not more than 10% of the loans may be made in any one State. Pending is a Humphrey amendment (in the nature of a substitute) to modify the present formula but not repeal it (pp. 5479-84).
Sen. Kefauver urged immediate release of the Hoover Commission Task Force report on public power and water resources and inserted a St. Louis Post Dispatch on this subject (pp. 5445-6).
13. LANDS. Both Houses received from the Interior Department a proposed bill "to facilitate the administration of the public lands"; to Interior and Insular Affairs Committees (pp. 5417, 5548).
14. SUGAR QUOTAS. Received an Hawaiian Legislature resolution urging immediate domestic sugar quota increases (p. 5418).

84TH CONGRESS
1ST SESSION

H. R. 6295

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 1955

Mr. FASCELL introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 3 of the Travel Expense Act of 1949 (63 Stat.
4 166, as amended; 5 U. S. C. 836) is further amended by
5 striking “\$9” and inserting in lieu thereof “\$13”; and by
6 striking the period at the end thereof and adding the follow-
7 ing additional proviso: “: *And provided further, That where*
8 *due to the unusual circumstances of a travel assignment*
9 *within the limits of the continental United States such maxi-*

1 mum per diem allowance would be much less than the amount
2 required to meet the actual and necessary expenses of the
3 trip, the heads of departments and establishments may, in
4 accordance with regulations promulgated by the Director,
5 Bureau of the Budget, pursuant to section 7, prescribe con-
6 ditions under which reimbursement for such expenses may
7 be authorized on an actual expense basis not to exceed a
8 maximum amount to be specified in the travel authorization,
9 but in any event not to exceed \$25.”.

10 SEC. 2. Section 5 of the Administrative Expenses Act
11 of 1946 (60 Stat. 808; 5 U. S. C. 73b-2) is amended by
12 striking “\$10 per diem” and inserting in lieu thereof “\$15
13 per diem within the limits of the continental United States
14 and, beyond such limits, not to exceed the rates of per diem
15 established by the Director of the Bureau of the Budget
16 pursuant to section 3 of the Travel Expense Act of 1949, as
17 amended (5 U. S. C. 836)” ; and by striking the period at
18 the end thereof and adding the following additional proviso:
19 “: *And provided further,* That where due to the unusual
20 circumstances of a travel assignment within the limits of the
21 continental United States such maximum per diem allow-
22 ance would be much less than the amount required to meet
23 the actual and necessary expenses of the trip, the heads of
24 departments and establishments may, in accordance with
25 regulations promulgated by the Director, Bureau of the

1 Budget, pursuant to section 7 of the Travel Expense Act of
2 1949 as amended (5 U. S. C. 840) prescribe conditions
3 under which reimbursement for such expenses may be author-
4 ized on an actual expense basis not to exceed a maximum
5 amount to be specified in the travel authorization, but in
6 any event not to exceed \$25.”.

7 SEC. 3. The first sentence of section 1823 (a) of title
8 28, United States Code, is amended by striking the portion
9 “and if travel is made by privately owned automobile mile-
10 age at a rate not to exceed 7 cents per mile, together with
11 a per diem allowance not to exceed \$9 in lieu of subsistence”
12 and inserting in lieu thereof “or, if travel is made by privately
13 owned automobile, at a rate not to exceed that prescribed in
14 section 4 of the Travel Expense Act of 1949, together with
15 a per diem allowance in lieu of subsistence not to exceed the
16 rates of per diem as described in, or established pursuant to,
17 section 3 thereof”.

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

By Mr. FASCELL

MAY 17, 1955

Referred to the Committee on Government Operations

May 17, 1955

15. ~~BUDGET; SURPLUS PROPERTY; TRAVEL.~~ The Government Operations Committee reported without amendment S. 1305, to amend the Legislative Reorganization Act of 1946 to create a Joint Committee on the Budget (S. Rept. 352); with amendments H. R. 3322, to amend the Federal Property and Administrative Services Act of 1949, so as to improve the administration of the program for the utilization of surplus property for educational and public health purposes (S. Rept. 351); and with amendment S. 1795, to amend the Travel Expense Act of 1949, to provide an increased maximum per diem allowance for subsistence and travel expenses (S. Rept. 353) (p. 5421).
16. ~~EXPENDITURES; APPROPRIATIONS.~~ Sen. Byrd inserted a statement of the Joint Committee on Reduction of Nonessential Federal Expenditures relating to unexpended balances of Federal appropriations as of Dec. 31, 1954 (p. 5437).
17. ~~PRICE SUPPORTS.~~ Sen. Langer inserted his letter to Sens. Ellender and Johnson requesting that an opportunity be given to vote on H. R. 12, the 90 percent price support bill, before the adjournment of Congress (p. 5441).
18. ~~EDUCATION.~~ Sen. Carlson urged increased funds for the international education exchange program (p. 5440).
19. ~~REORGANIZATION.~~ Sen. Neuberger criticized certain recommendations of the Hoover Commission and inserted a New York Times article discussing the latest recommendations of the Commission (pp. 5443-4).
20. ~~ROADS.~~ Sen. Byrd inserted various newspaper articles discussing the President's proposed highway plan (pp. 5474-9).
21. ~~BOUNDARY FENCE; FORESTS; ACCESS ROADS; RECLAMATION; WATER RESEARCH.~~ The Interior and Insular Affairs Committee ordered reported without amendment S. 76, to authorize a Mexican boundary fence; S. 55, authorizing payment for interest in lands within the Coconino and Sitgreaves National Forests, Ariz.; S. 1464, to acquire certain rights-of-way and timber access roads. The Committee ordered reported with amendment S. 180, to authorize the Washita River Basin project, Okla.; H. R. 103, to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies; and S. 516, extension of the saline water program (p. D425).
22. ~~RECESSED until Thurs., May 19 (p. 5487).~~ Legislative program as announced by Majority Leader Johnson: Thurs., bills to amend REA loan formula and to provide surplus property for educational and health purposes; and Fri., road bill (pp. 5458-9).

ITEMS IN APPENDIX

23. ~~PERSONNEL.~~ Extension of remarks of Rep. Van Zandt in support of H. R. 5927 providing for a ready reserve and transfer from ready reserve to standby reserve of essential civilian government employees (pp. A3361-63).
24. ~~RURAL ELECTRIFICATION.~~ Rep. Karsten inserted an editorial from the St. Louis Post-Dispatch criticizing the inoperation of contract between the Southwestern Power Administration and five Missouri coops (p. A3368).
25. ~~WATER.~~ Extension of remarks of Rep. Phillips in support of H. R. 2126 to extend research in conversion of saline water to fresh water (p. A3370).
Extension of remarks of Rep. Teague, Calif., in support of H. R. 2126, to extend research in the conversion of saline water to fresh water (pp. A3386-7).

26. FOREIGN AID. Rep. Smith, Wis., inserted an editorial from the Janesville, Wis., Gazette expressing concern over the cost of further technical aid to southeast Asia (p. A3370).
27. FOOD SUPPLY. Extension of remarks of Rep. Griffiths on Michigan Week and noting that Michigan has an important agriculture industry (p. A3376).
28. TRADE. Rep. Gross, Iowa, inserted an article by Ed Wimmer of the National Federation of Independent Business, Inc. appearing in the Cincinnati Enquirer in opposition to lower tariffs. It notes Secretary Benson's remarks on disposal of farm surpluses (p. A3377).
Rep. Ostertag inserted an article from the Rochester Democrat and Chronicle based on findings by the League of Women Voters of Monroe County, N. Y., expressing sentiment favorable to the reciprocal trade bill (p. A3378).
29. RECLAMATION. Rep. Rhodes inserted an editorial from the Phoenix Gazette criticizing Leslie A. Miller of the Hoover Commission for unfavorable comments in a Reader's Digest article on reclamation and water supply in Central Arizona and the Upper Colorado River Basin (p. A3381).
30. PRICE SUPPORTS. Rep. Hope included an editorial from the Falls City, Nebr., Journal in support of high rigid farm supports (p. A3381).
Sen. Goldwater inserted an article from Business Week commenting favorably on the Administration's farm program of flexible supports and more efficient farms (pp. A3393-4).
Sen. Thye inserted an editorial from the St. Paul Pioneer Press denouncing the use of the flexible-rigid price support controversy as a political football (p. A3394).
Sen. Thye inserted a telegram from M. W. Thatcher of the Farmers Union Grain Terminal Association in favor of 90% of parity price supports (pp. A3397-8).
31. EXTENSION WORK. Extension of remarks of Rep. Hoeven on the value and importance of agricultural research, the county agent, farm institutes, and the role of the state and federal agricultural services (pp. A3382-5).
32. POULTRY. Sen. Thye inserted an article from the Minneapolis Morning Tribune commenting on the difference between prices received by the farmer and consumer cost for poultry products (p. A3393).
33. FOOD SURPLUSES. Sen. Langer inserted a letter from M. F. Peterson, superintendent of the N. Dak. Department of Public Instruction, in favor of the school lunch program as a means of disposing of food surpluses (p. A3397).
34. DAIRY INDUSTRY. Sen. Thye inserted an article from the Minneapolis Morning Tribune suggesting the opening of eastern markets to midwestern milk (p. A3402).
35. PUBLIC POWER AND RECLAMATION. Rep. Dawson inserted an editorial from the Charleston, W. Va., Gazette supporting the Colorado River Storage project (p. A3409).
Rep. Metcalf inserted an article which appeared in the St. Louis Post-Dispatch critical of the Administration's public power policies (p. A3409).
36. SUGAR QUOTAS. Rep. Morano inserted a letter from H. T. Jensen of the Federal Paper Board Company lowering Cuban sugar quotas (p. A3411).

AMENDING SECTION 3 OF THE TRAVEL EXPENSE ACT OF 1949 AS
AMENDED, TO PROVIDE AN INCREASED MAXIMUM PER DIEM
FOR SUBSISTENCE AND TRAVEL EXPENSES

MAY 17 (legislative day, MAY 2), 1955.—Ordered to be printed

Mr. JACKSON, from the Committee on Government Operations,
submitted the following

R E P O R T

[To accompany S. 1795]

The Committee on Government Operations, to whom was referred the bill (S. 1795) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance in lieu of subsistence and travel expenses for civilian officers and employees of the Government while traveling on authorized official business within the continental United States, having considered the same, report favorably thereon, with an amendment, and recommend that the bill as amended do pass.

S. 1795 was introduced in response to a request addressed to the President of the Senate by the Director of the Bureau of the Budget. Its objectives were endorsed by the President of the United States in his message to the Congress on Federal personnel management, on January 11, 1955.

The committee amendment struck out a provision in the first section of the bill which would have extended the present act to direct the Director of the Bureau of the Budget to prescribe regulations under which heads of departments and establishments would be authorized, where unusual circumstances of travel are involved and actual expenses exceed the \$13 maximum, to determine in advance of such travel a maximum designed to cover actual expenses in lieu of the per diem basis established by this act.

PURPOSE

The purpose of this bill is to permit the heads of departments and agencies, who authorize the performance of official travel, to increase the per diem in lieu of subsistence from the present maximum of \$9

to a maximum of \$13, in those instances where such amount is needed to defray the normal living expenses of Government employees performing travel on official business away from their designated posts of duty. Evidence submitted to the committee discloses that the current maximum of \$9 is inadequate to defray the normal living expenses of employees who are required to travel in high-cost areas. The \$13 maximum which this bill would establish is not mandatory. It is intended merely to provide flexibility for the heads of departments and agencies so as to enable them to establish rates between \$9 and \$13 in those cases where the \$9 rate is now inadequate.

Section 2 of the bill proposes to raise the existing \$10 per diem allowance to consultants, and other persons employed without compensation, to \$15 per diem when in travel status within the continental limits of the United States.

Section 3 would bring civilian employees when traveling as witnesses on behalf of the United States under the provisions of the Travel Expense Act instead of including them under separate legislation, as recommended by the Department of Justice.

A new section 4 has been included in the bill to overcome objections to a similar bill (S. 3200) reported by the committee and approved by the 83d Congress (increasing the maximum per diem allowance from \$9 to \$12), which would authorize the reimbursement of Members of Congress and employees of the legislative branch for travel expense while on official business on the same basis as other Federal officers and employees.

GENERAL STATEMENT

Based upon a study made by the Bureau of the Budget in 1954, this committee recommended and the Senate approved a bill during the 2d session of the 83d Congress (S. 3200) to increase the present maximum from \$9 to \$12. The House failed to act on this bill. The language of the bill as approved by the Senate was incorporated as an amendment to H. R. 7774, the Federal Employees Pay Act, later in the session, but the latter bill was vetoed by the President for other reasons.

The President, in his message to the Congress recommending legislation to improve Federal personnel management, on January 11, 1955, stated that—

The per diem allowance of \$9 for civilian employees who travel on official business was established in 1949. Since that time the cost of lodging, meals, and incidental expenses has increased. It is not fair to ask Government employees to defray part of their official travel and subsistence from their personal funds. Recommendations soon will be submitted to the Congress for an appropriate increase in the present rate.

In a letter addressed to the President of the Senate under date of March 8, 1955, the Director of the Bureau of the Budget referred to the President's recommendation and submitted a draft bill, which was referred to the Committee on Government Operations for consideration. Pursuant to the request of the Director of the Budget, the subject bill was introduced in the Senate on April 25, 1955.

HEARINGS BEFORE THE HOUSE COMMITTEE

The Subcommittee on Executive and Legislative Reorganization of the House Committee on Government Operations held hearings on a bill (H. R. 4918) identical to S. 1795, and on two related bills, H. R. 4169 and H. R. 3950, the latter providing for increases in per diem to a maximum of \$15. Extensive testimony was submitted to the committee by representatives of the Bureau of the Budget, Civil Service Commission, and the Departments of Agriculture, Interior, Justice, and Defense, all of whom supported the administration bill, H. R. 4918. In addition, representatives from the Government Employees' Council, American Federation of Labor; the National Federation of Federal Employees; the American Federation of Technical Engineers (A. F. of L.); the American Federation of Government Employees; and the committee on legislation for the National Association of Internal Revenue Employees appeared in support of the measure. One of the employee organizations favored an increase to a maximum of \$15, as proposed under H. R. 4169 and H. R. 3950.

The evidence submitted at these hearings indicated unanimous agreement among competent authorities that the existing maximum per diem travel allowance of \$9 is inadequate to reimburse Federal employees who are in travel status for actual out-of-pocket expenses, and numerous instances were cited where accurate accounts had been kept to illustrate that the actual per diem expense exceeds \$13 in practically all metropolitan areas.

COMMENTS OF THE BUREAU OF THE BUDGET

In support of the draft bill as submitted to the Congress, the Director advised the Congress as follows:

The first section of the draft bill would amend section 3 of the Travel Expense Act of 1949, as amended. It would increase the maximum per diem allowance from \$9 to \$13 for civilian employees who travel on official business within the limits of the continental United States. It is to be understood, however, and the Standardized Government Travel Regulations will continue to emphasize the fact that the departments and establishments are responsible for seeing to it that travel orders authorize only such per diem allowances within the maximum rate as are justified by the circumstances surrounding the travel. In other words, care is to be exercised to prevent the fixing of a per diem allowance in excess of that required to meet the necessary authorized expenses.

The first section also contains a provision to take care of a very limited number of situations where employees are required to travel on assignments which necessitate personal expenditures well in excess of the maximum rate. In such cases employees would be reimbursed on an actual expense basis in lieu of the per diem basis. The Director of the Bureau of the Budget would prescribe regulations governing the types of situations under which the actual expense basis would be used. Within such regulations, the heads of departments and establishments would prescribe the conditions under which this special reimbursement would be authorized. A maximum allowable amount of reimbursement would be determined in advance of the trip and would be set forth in the order directing the employee's travel. The employee would be reimbursed for his actual and necessary expenses not in excess of the maximum stated in his travel order.¹

Section 2 of the draft bill proposes that the maximum per diem travel allowance for civilians performing work for the Government without compensation be increased from \$10 to \$15. This would amend section 5 of the Administrative Expenses Act of 1946. At present the \$10 maximum applies to travel both within and beyond the limits of the continental United States. Under the proposal the maximum would apply only to travel within the limits of the continental United States. For travel outside such limits the maximum per diem rates established

¹ This provision of the bill was not included in S. 1795 as reported by the committee.

by the Director of the Bureau of the Budget, pursuant to section 3 of the Travel Expense Act of 1949, would apply.

Section 3 of the draft bill would amend section 1823 (a) of title 28, United States Code. This would bring the travel rates for civilian employees when traveling as witnesses on behalf of the United States under the Travel Expense Act instead of continuing them under separate legislation. The rates in both acts are now identical. The proposed amendment, however, would not make the proposed reimbursement of unusual expenses on an actual expense basis applicable to travel of employees to serve as witnesses. The existing authority of the Attorney General to issue regulations relating to this travel, as contained in section 1823 (a), would not be changed by this amendment. The Department of Justice suggested this change.

The draft bill does not propose any change in the mileage allowances authorized to be paid to Government employees for use of their privately owned motor vehicles, while traveling on official business. Information at hand does not indicate a need for change in such allowances.

It is difficult to estimate precisely the additional cost to the Government of the draft bill. The increase will result largely from the graduated scale of rates which will be used between the present \$9 maximum and the proposed \$13 maximum in those cases where \$9 is now inadequate. However, it is believed that the total additional cost of the draft bill will not exceed a maximum of \$30 million a year and its actual cost may be several million under this figure.

INADEQUACY OF TRAVEL ALLOWANCES

The Director of the Bureau of the Budget also submitted the following statement relative to the inadequacy of travel allowances authorized by existing law:

Regular civilian employees

The existing maximum per diem allowance for civilian employees while traveling within the limits of the continental United States is prescribed as \$9 by the Travel Expense Act of 1949, as amended. This rate of \$9 is the maximum allowable. Lower rates are authorized for trips in areas where the expenses necessarily incurred by travelers are less than in high cost areas.

The recommended maximum rate of \$13 consists of approximately \$7.30 for hotel room; \$4.50 for meals; and \$1.20 for incidental expenses. It is based upon the following considerations:

Hotel costs.—The hotel accounting firm of Harris, Kerr & Forster has found, upon a study of room rates of 375 hotels used by businessmen in traveling, that the average room rate for a single room during 1954 was \$7.30. The hotel accounting firm of Horwath & Horwath, on the basis of an average sample of between 360 and 400 hotels, has advised that the average room rate for a single room during 1954 was between \$6.70 and \$6.95. These estimates of the two firms represent average room rates. The higher amount of \$7.30 has been used since the recommended rate of \$13 per diem represents not an average but a maximum allowable per diem.

Cost of meals.—The amount estimated for meals per day is \$4.50, based upon an allocation of \$1 for breakfast; \$1.25 for luncheon; and \$2.25 for dinner. Both hotel accounting firms report that the price of hotel restaurant meals has increased approximately 20 percent since 1949.

Incidental expenses.—The amount, averaging \$1.20 per day, is intended to cover such items of expense as tips and fees while traveling; hotel tips; tips to waiters; laundry; cleaning and pressing; telegrams for room reservations; etc. These miscellaneous expenses have also increased in recent years. The Bureau of Labor Statistics reports, on the basis of a study of prices in 34 large cities until 1952 and in 46 cities since that time, that the cost of dry cleaning and pressing has increased 13.2 percent between June 1949 and September 1954; and that the cost of laundry has increased 18.3 percent during the same period. In view of the higher costs of meals, the amounts for tips have correspondingly increased.

Individuals serving without compensation

The existing maximum per diem rate of \$10 is prescribed in section 5 of the Administrative Expenses Act of 1946 for individuals serving the Government without compensation and applies while they are away from home or regular places of business. Since these individuals generally serve as consultants for short periods of time and serve without receiving any compensation, a higher

maximum rate of per diem than that prescribed for regular employees has been allowed in the past. In view thereof, the maximum rate of \$15 is recommended for these individuals. Section 5 of the Administrative Expenses Act of 1946 provides that a rate higher than that prescribed therein may be authorized in specific legislation. The rate of \$15 was provided in the Defense Production Act of 1950. The 83d Congress authorized the \$15 rate for members of the President's Advisory Committee on Government Organization; members of the National Capital Planning Commission who serve without compensation; and individuals serving without compensation in an advisory capacity under the item "International contingencies" in the Department of State appropriation acts for the fiscal years 1954 and 1955. A per diem rate not in excess of \$25 has been provided for individuals serving without compensation on advisory committees under title VI of the Housing Act of 1949 and under the Housing Act of 1954. The 83d Congress also increased to \$15 the per diem rate for Federal judges and justices which had been established at \$10 in 1940.

Special form of reimbursement for unusual circumstances ²

The provision in the first section of the draft bill, authorizing reimbursement on an actual expense basis in lieu of the per diem basis, is proposed for use in a very limited number of situations. Occasionally employees are required to travel on assignments which necessitate personal expenditures well in excess of the reimbursement which would be obtained at the \$13 per diem rate. Attendance at meetings or conventions of private business or industry which are held at expensive hotels is an example. Government representatives attending these meetings in furtherance of their official duties have no choice but to stay at the convention hotel where even the cheapest rooms may exceed the entire per diem. Likewise these representatives are required to take their meals at these hotels. A similar situation where expensive hotels must be used arises at times when Secret Service agents travel with the President and must stay at the hotel in which he stays. Likewise unusually high rates are encountered from time to time when an employee must travel to a locality in which a disaster has occurred or must travel at a particular time to a city when only the more expensive hotel rooms are available due to conventions. As set forth in the draft bill, this type of travel would be governed by regulations of the Director of the Bureau of the Budget and under conditions prescribed by department heads. Also a maximum allowable amount of reimbursement would be determined in advance of the trip and would set forth in the order directing the employee's travel. The employee would be reimbursed for his actual and necessary expenses not in excess of the maximum stated in his travel order.

Mileage allowances

No changes in mileage allowance rates are proposed for the following reasons: The American Automobile Association in its Information Bulletin No. 92 of August 4, 1954, reported on the practice of private business in compensating their employees for use of personal cars on company business. The report contains a listing of flat mileage allowances used by private business firms as compiled by the Dartnell Corp., Chicago, Ill. Of the total firms covered by the Dartnell survey, 28 percent reimbursed employees for use of their automobiles at a rate less than 7 cents a mile; 45 percent at the 7-cent rate; 5 percent between 7 and 8 cents; 16 percent at 8 cents; and 3 percent at 9- and 10-cent rates. The weighted average allowance as reported by Dartnell was 7.01 cents.

More recent information has been obtained from the AAA giving a breakdown of cost figures for the operation of an automobile as prepared by Runzheimer & Co., Chicago cost-accounting firm. The breakdown for a postwar model car in the \$2,000 price class, driven up to 18,000 miles per year, shows that variable costs (gasoline, oil, maintenance, and tires) average 3.54 cents per mile while the fixed costs (insurance, license fees, depreciation) average about \$1.65 per day. On a mileage basis for the entire year the total cost to a car owner would be approximately 6.86 cents per mile. This amount for a comparable car, driven only approximately 10,000 miles a year, was given as 9.52 cents per mile. These rates, of course, vary with the mileage driven, the class of car, and the type of driving conditions generally encountered by the individual during a year, whether in mountainous or flat country or in congested metropolitan centers or rural areas.

Since the rate of 7 cents per mile still appears to be the rate most commonly used by companies which have followed the flat mileage method, no change is recommended for the Federal Government.

² Not included in S. 1795, as reported by the committee.

SUMMARY

On the basis of these reports and the supporting evidence, it is recommended that the present maximum per diem allowance of \$9 should be increased to \$13 as a matter of equity, so that Federal employees in travel status will be able to defray normal travel expenses in metropolitan or other high-cost areas.

The committee strongly emphasizes, however, that, in accordance with the provisions of the Travel Expense Act of 1949, as amended, the increase in per diem allowance recommended herein will not be mandatory but would authorize reimbursement up to and including \$13 a day only when the cost of living in the areas where travel is to be performed justifies the payment of that amount. This is presently recognized in the Standardized Government Travel Regulations which provide in part as follows:

The per diem allowances provided herein represent the maximum allowable, not the minimum. It is the responsibility of the departments and establishments to see that travel orders authorize only such per diem allowances as are justified by the circumstances surrounding the travel. To this end, care should be exercised to prevent the fixing of a per diem allowance in excess of that required to meet the necessary authorized expenses.

Information submitted to the committee indicates that agencies are setting rates below the maximum when a lower rate is deemed adequate to cover a specific trip. The committee has been given assurances that this same general policy would be adhered to in the application of the new maximum contained in S. 1795, if approved by the Congress. For example, the Department of Commerce has 10 different rates, ranging from a minimum of \$2.40 to the present maximum of \$9. The Department of Agriculture has 30 different rates, ranging from a \$1 minimum. In the fiscal year 1953, only 15.8 percent of the total domestic travel in Agriculture was performed at the maximum rate. This is because a large part of the travel is in rural areas. An analysis of travel vouchers made by the Department of the Army for the month of April 1953 indicated that 55 percent of the travel was at the maximum rate and the remainder at lower rates.

In view of the foregoing, and the fact that the Congress has in several instances recognized the need for an increase over the present maximum by special enactments, the committee recommends the approval of S. 1795. It constitutes a fair and equitable adjustment in subsistence to permit refunds of out-of-pocket expenses incurred by Federal employees in travel status, based on evidence submitted to the committee which clearly shows that increases in hotel, food, and other costs since 1949 warrant such action.

The maximum subsistence allowance payable to Federal judges and justices was established at \$10 a day in 1940, and, based on recognized increases in travel costs since that time, the per diem was increased to \$15 by Public Law 222, approved August 8, 1953. The Congress held, when it took such action, that most of the judges and justices could not, in many instances, pay for meals, lodging, and incidental expenses incurred in moderately priced hotels while on judicial business, under the then authorized maximum, without drawing on their personal funds.

Specific authority has also been included in appropriations acts, and in other enabling statutes authorizing payments of up to \$25 per day.

in lieu of subsistence for official travel performed by certain groups of executives, consultants, experts, and other officials. For example, under Public Law 108, 83d Congress, members of the Hoover Commission may receive reimbursement for official travel on an actual expense basis, and members of the President's Advisory Committee on Government Organization, who serve without compensation, are paid up to \$15 a day for subsistence. Also, consultants appointed to advisory committees of the Housing and Home Finance Agency, pursuant to title 6 of the Housing Act of 1949, may be paid not to exceed \$25 per day, and members of the National Capital Planning Commission who serve without compensation are reimbursed at the rate of \$15 a day in lieu of subsistence. There are other instances where the Congress has recently authorized payments in lieu of subsistence to members of various study commissions, who serve without compensation, at rates not to exceed \$25 per day. The Career Incentive Act of 1955 (Public Law 20, 84th Cong.) authorized an increase in the per diem allowance in lieu of subsistence for military personnel, from \$9 to \$12 (sec. 2 (11)).

MILEAGE ALLOWANCES

This bill does not propose any change in the mileage allowances authorized to be paid to Government employees for use of their privately owned motor vehicles, while traveling on official business. The Bureau of the Budget, in submitting this proposed legislation, recommended that the present law remain unchanged as it relates to such travel expenses. For this reason, the adequacy or inadequacy of the existing rate of 7 cents a mile allowed for use of privately owned automobiles or airplanes and 4 cents a mile for privately owned motorcycles was not considered by the committee.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (matter omitted in brackets; new material in *italics*; existing law in which no change is reported, shown in roman):

TRAVEL EXPENSE ACT OF 1949

(63 Stat. 166, as amended; 5 U. S. C. 836)

* * * * *

SEC. 3. Civilian officers and employees of the departments and establishments (except justices and judges covered by section 456 of title 28 of the United States Code), while traveling on official business and away from their designated posts of duty, shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance to be prescribed by the department or establishment concerned, not to exceed the rate of ~~【\$9】~~ *\$13* within the limits of the continental United States and in case of travel beyond the limits of the continental United States not to exceed rates established by the Director of the Bureau of the Budget for the locality in which the travel is performed: *Provided*, That such civilian officers and employees who become incapacitated due to illness or injury, not due to their own misconduct, while traveling on official business and away from their designated posts of duty, shall be allowed such per diem allowances, and transportation expenses to their designated posts of duty, in accordance with regulations promulgated and approved under this Act.

* * * * *

THE ADMINISTRATIVE EXPENSES ACT OF 1946

(60 Stat. 808; 5 U. S. C. 73B-2)

* * * * *

SEC. 5. Persons in the Government service employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis may be allowed travel expenses while away from their homes or regular places of business, including per diem in lieu of subsistence while at place of such employment, in accordance with the Standardized Government Travel Regulations, sections 73a, 821-823, and 827-833 of this title, and persons serving without compensation or at \$1 per annum may be allowed, while away from their homes or regular places of business, transportation in accordance with said regulations and section 73a of this title, and not to exceed **[\$10 per diem]** *\$15 per diem within the limits of the continental United States and, beyond such limits, not to exceed the rates of per diem established by the Director of the Bureau of the Budget pursuant to section 3 of the Travel Expense Act of 1949, as amended (5 U. S. C. 836)*, in lieu of subsistence en route and at place of such service or employment unless a higher rate is specifically provided in an appropriation or other Act.

* * * * *

TITLE 28, UNITED STATES CODE

§ 1823. United States officers and employees.

(a) Any officer or employee of the United States or any agency thereof, summoned as a witness on behalf of the United States, shall be paid his necessary expenses incident to travel by common carrier, **[and if travel is made by privately owned automobile mileage at a rate not to exceed 7 cents per mile, together with a per diem allowance not to exceed \$9 in lieu of subsistence]** *or, if travel is made by privately owned automobile, at a rate not to exceed that prescribed in section 4 of the Travel Expense Act of 1949, together with a per diem allowance in lieu of subsistence not to exceed the rates of per diem as prescribed, in, or established pursuant to, section 3 thereof* under regulations prescribed by the Attorney General. * * *

* * * * *

LEGISLATIVE-JUDICIARY APPROPRIATION ACT, 1955

(68 Stat. 399)

TITLE I—LEGISLATIVE BRANCH

SENATE

* * * * *

CONTINGENT EXPENSES OF THE SENATE

* * * * *

Inquiries and investigations: * * * *Provided*, That no part of this appropriation shall be expended for per diem and subsistence expenses (as defined in the Travel Expense Act of 1949) at rates in excess of **[\$9]** *\$13 per day* except that higher rates may be established by the Committee on Rules and Administration in the case of travel beyond the limits of the continental United States.

* * * * *

Calendar No. 357

84TH CONGRESS
1ST SESSION

S. 1795

[Report No. 353]

IN THE SENATE OF THE UNITED STATES

APRIL 25, 1955

Mr. JACKSON (by request) introduced the following bill; which was read twice
and referred to the Committee on Government Operations

MAY 17 (legislative day, MAY 2), 1955

Reported by Mr. JACKSON, with an amendment

[Omit the part struck through]

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 3 of the Travel Expense Act of 1949 (63 Stat.
4 166, as amended; 5 U. S. C. 836) is further amended by
5 striking "\$9" and inserting in lieu thereof "\$13"; ~~and by~~
6 ~~striking the period at the end thereof, inserting a colon, and~~
7 ~~adding the following additional proviso: "And provided fur-~~
8 ~~ther, That where due to the unusual circumstances of a travel~~
9 ~~assignment within the limits of the continental United States~~

1 such maximum per diem allowance would be much less than
2 the amount required to meet the actual and necessary
3 expenses of the trip; the heads of departments and establish-
4 ments may, in accordance with regulations promulgated by
5 the Director, Bureau of the Budget, pursuant to section 7,
6 prescribe conditions under which reimbursement for such
7 expenses may be authorized in advance of the performance
8 of a trip on an actual expense basis not to exceed a maximum
9 amount to be specified in the travel authorization.”.

10 SEC. 2. Section 5 of the Administrative Expenses Act
11 of 1946 (60 Stat. 808; 5 U. S. C. 73b-2) is amended
12 by striking “\$10 per diem” and inserting in lieu thereof
13 “\$15 per diem within the limits of the continental United
14 States and, beyond such limits, not to exceed the rates of
15 per diem established by the Director of the Bureau of the
16 Budget pursuant to section 3 of the Travel Expense Act of
17 1949, as amended (5 U. S. C. 836).”

18 SEC. 3. The first sentence of section 1823 (a) of title
19 28, United States Code, is amended by striking the portion
20 “and if travel is made by privately owned automobile mileage
21 at a rate not to exceed 7 cents per mile, together with a
22 per diem allowance not to exceed \$9 in lieu of subsistence”
23 and inserting in lieu thereof “or, if travel is made by pri-
24 vately owned automobile, at a rate not to exceed that pre-
25 scribed in section 4 of the Travel Expense Act of 1949,

1 together with a per diem allowance in lieu of subsistence
2 not to exceed the rates of per diem as prescribed in, or
3 established pursuant to, section 3 thereof.”

4 SEC. 4. The proviso in the paragraph designated “In-
5 quiries and investigations” under the heading “Contingent
6 Expenses of the Senate” in the Legislative Appropriation
7 Act, 1955, is amended by striking out “\$9” and inserting
8 in lieu thereof “\$13”.

[Report No. 353]

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

By Mr. JACKSON

APRIL 25, 1955

Read twice and referred to the Committee on
Government Operations

MAY 17 (legislative day, MAY 2), 1955

Reported with an amendment

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 19, 1955
For actions of May 18, 1955
84th-1st, No. 82

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HIGHLIGHTS: Senate committee ordered reported bill to reduce interest rates on disaster loans. Senate committee agreed to begin hearings on price support bill. House committee reported bill to prohibit USDA prediction of apple prices. House debated reserve forces bill. House committee ordered reported bill to increase per diem allowances.

HOUSE

1. RESERVE FORCES. Continued debate on H. R. 5297, to provide for strengthening of the Reserve Forces (pp. 5552-87).
2. APPLE PRICES. The Agriculture Committee reported with amendment H. R. 5188, to prohibit publication by the Government of any prediction with respect to apple prices (H. Rept. 599) (p. 5591).
3. TRAVEL EXPENSE. The Government Operations Committee ordered reported H. R. 6295, to provide an increase in maximum per diem allowances for subsistence and travel expenses (p. D434).
4. PERSONNEL. Received from the Civil Service Commission a proposed bill to "amend the Federal Employees' Group Life Insurance Act of 1954 (Public Law 598, 83d Cong.) as follows: 'That the third proviso of section 7 (d) of the Federal Employees' Group Life Insurance Act of 1954 is hereby repealed';" (re: formula for apportioning reinsurance); to Post Office and Civil Service Committee (p. 5591).

SENATE

5. PRICE SUPPORTS. The Daily Digest states that the Agriculture and Forestry Committee, "in executive session, adopted, by a vote of 8 to 7, a motion providing that the committee will begin hearings on price support legislation (including H. R. 12, to amend the Agricultural Act of 1949 with respect to price supports for basic agricultural commodities) as soon as practicable, and that these hearings may be terminated at any time by a majority vote of the committee" (p. D431).

6. DISASTER LOANS. The Agriculture and Forestry Committee ordered reported S. 1755, to reduce interest rates from 5 to 3 percent on disaster loans (p. D431)

ITEMS IN APPENDIX

7. BUDGET. Extension of remarks of Rep. Rodino, Jr., urging a Joint Budget Committee of Congress to expedite appropriation bills (pp. A3416-7).
8. RECLAMATION; ELECTRIFICATION. Rep. Hull, Jr., inserted a newspaper article commenting on the vital role of the Mississippi Valley in power, reclamation, and agricultural programs (pp. A3417-8).
Rep. Engle inserted newspaper articles commenting on the value of a multi-purpose dam on the Trinity River and criticizing the Administration for consideration of PGE in this project (pp. A3418-21).
Rep. Budge inserted a newspaper article urging that the government construct the Hells Canyon dam under the existing National Reclamation Act rather than under a separate measure (p. A3428).
Rep. McDonough inserted editorials from the Los Angeles Herald-Express and Los Angeles Times denouncing the upper Colorado River project because it would deprive southern California of necessary water (pp. A3430-1).
9. RURAL ELECTRIFICATION. Rep. Coon inserted an editorial from the Portland Oregonian supporting H. R. 5789, which provides for construction of the John Day Dam on the Columbia River (pp. A3423-4).
10. SALT-WATER RESEARCH. Extension of remarks by Rep. Edmondson, Okla., supporting the purposes of H. R. 2126 and S. 516, which would extend and expand salt water conversion research (p. A3435).
11. RECORDS; INFORMATION. Extension of remarks of Rep. McDonough in support of the Hoover Commission's report on paperwork management (pp. A3436-7).

BILLS INTRODUCED

12. HOLIDAY. H. R. 6338, by Rep. Zablocki, declaring Good Friday in each year to be a legal public holiday; to Judiciary Committee (p. 5592).
13. PERSONNEL. H. R. 6339, by Rep. Zelenko, to amend the Civil Service Retirement Act of May 29, 1930, to provide that the annuities of certain officers and employees engaged in the enforcement of the criminal laws of the U. S. may be based on not to exceed 40 years of service; to Post Office and Civil Service Committee (p. 5592).
H. R. 6344, by Rep. Barrett, to amend the Civil Service Retirement Act of May 29, 1930, to liberalize the retirement benefits of female officers and employees; to Post Office and Civil Service Committee (p. 5592).
H. R. 6348, by Rep. Murray, Tenn., to amend the Federal Employees' Group Life Insurance Act of 1954; to Post Office and Civil Service Committee (p. 5592).
14. FORESTRY. H. R. 6347, by Rep. Miller, Calif., to recognize and facilitate the administration of the multiple uses of the national forests and other lands under the jurisdiction of the Secretary of Agriculture; to Agriculture Committee (p. 5592).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 20, 1955
For actions of May 19, 1955
84th-1st, No. 83

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HIGHLIGHTS: Senate passed bills to: modify REA formula on funds; create Joint Budget Committee; increase per-diem and mileage allowances; provide additional surplus property for education and health agencies. Senate committee reported bill to reduce interest on disaster loans to 3%. House Rules Committee cleared bills for donations of surplus commodities and for loans to small reclamation projects. House committee reported bill to increase per-diem allowances. House debated reserve forces bill. Rep. Holifield criticized administration's farm program. Rep. Schoeppel introduced and discussed bill for 70% wheat price supports if quotas are rejected. Sen. Humphrey criticized administration's farm program.

SENATE

1. RURAL ELECTRIFICATION. Passed with amendment S. 153, to modify the formula for distribution of REA funds (pp. 5627-30). Agreed to a clarified version of the Humphrey amendment, which provides as follows: Retains but modifies the State allotment formula by making 25% (instead of 50%) of the annual loan fund appropriations subject to State allotment on the basis of unelectrified farms during the first six months of the fiscal year. Thereafter the unexpended or unobligated funds would be merged with the remaining 75% of the annual loan funds which would be available without allotment, with not more than 25% of unallotted annual loan funds to be employed in any one State, or in all of the Territories. Loan funds which are not loaned or obligated may be carried over to following years, under the amendment, but not more than 25% of such funds could be used in any one State or in all of the Territories.
2. SURPLUS PROPERTY. Passed as reported H. R. 3322, which provides as follows: Requires that surplus personal property carried in a working capital or similar fund in any Federal agency shall be considered for donation to educational or health institutions on the same basis as surplus personal property which is not carried in such a fund. Authorizes HEW to arrange for Federal and State agencies in carrying out their surplus-property responsibilities, to use each other's

facilities, services, etc. Makes other provisions regarding administration of the program by HEW. (p. 5637.)

3. BUDGETING. Passed without amendment S. 1805, which provides as follows:
Establishes a Joint Committee on the Budget composed of members of the Appropriations Committees. The Joint Committee would obtain information for the Appropriations Committees, make recommendations to the legislative committees, hold hearings, make personnel available to the Appropriations Committees, etc. Requires that the annual budget include an analysis of all active long-term construction programs authorized by Congress, showing for each the total estimated cost, the estimated expenditures during prior, current, ensuing, and subsequent fiscal years, and that all grant-in-aid programs be included in the analysis covering grants of indefinite duration. Provides for members of the Budget Bureau staff to be assigned to attend executive sessions of the appropriations subcommittees as may be required. Directs the Comptroller General to make investigations and reports for the Joint Committee upon request. Provides that all committees recommending legislation which would authorize appropriations must include in their reports estimates as to the initial cost of the project or programs and their continuing cost over the succeeding 5 years, based on estimates from the department or agency primarily concerned, after review by the Budget Bureau. Authorizes the Joint Committee to recommend joint hearings on appropriation bills. (pp. 5637-9.)
4. TRAVEL EXPENSES. Passed with amendment S. 1580, to increase ^{maximum} per-diem and mileage allowances (pp. 5645-6). S. 1795, on the same subject, was indefinitely postponed. Agreed to an amendment by Sen. Johnson to decrease the maximum per-diem allowance, as provided in the committee bill, from \$13 to \$12. Sen. Johnson said this amendment was proposed because a \$12 maximum was provided in the recent military pay bill. As passed by the Senate, the bill raises the maximum per-diem rate from \$9 to \$12, and the maximum mileage rates, for the use of private motorcycles and automobiles, from 4 and 7 cents to 6 and 10 cents, respectively.
5. FARM LOANS. The Agriculture and Forestry Committee reported without amendment S. 1755, to reduce from 5% to 3% the interest rate on disaster loans made by this Department (S. Rept. 363)(p. 5603).
6. RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. 180, to authorize the Washita River Basin reclamation project, Okla. (S. Rept. 361)(p. 5603).
The Committee also reported with amendment H. R. 103, to provide for construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies (S. Rept. 362)(p. 5603).
7. POSTAL PAY BILL. Received from the President a veto message on this bill, S. 1 (pp. 5625-6)(S. Doc. 44).
8. FARM PROGRAM. Sen. Humphrey criticized the administration's farm program, claiming that it is adversely affecting farm income, and said insufficient progress has been made in foreign surplus disposal (pp. 5643-5).
9. WAR POWERS. Passed without amendment H. R. 4052, which authorizes the President to authorize Government departments and agencies, if engaged in national defense, to enter into contracts without bidding, etc. The bill would continue this authority, under Title II of the First War Powers Act, for 2 years, until June 30, 1957. (p. 5641.) This bill will now be sent to the President.
10. LEGISLATIVE PROGRAM. It was agreed that debate on the road bill will begin today and that a vote to override the veto of the postal pay bill will be taken

is that for 5 months the American people have had their eyes focused upon the Far East, and now, literally, as if we turned off the lights in one room and turned them on in another room, our attention is focused entirely on Central and Western Europe. Strange as it may seem, the Soviet Union was able to divert our attention almost instantly from the Far East, from Formosa, Asia, the Bandung conference, to Vienna, Austria. The Soviet did seize the initiative, but we are delighted that there is a treaty of independence with Austria. The Senate will have an opportunity to examine it, and, I am convinced, will ratify it. From all I have heard, at least, the treaty is reasonable and fair to the Austrians and in no way violates the principles to which this country adheres.

But, Mr. President, I wish to warn my colleagues—and I say this from personal conviction and personal observation—that communism is a worldwide apparatus which works all dimensions, all areas, at the same time. We Americans are prone to look at one area at a time. We are prone to examine one room of the world, so to speak, at a time. I suggest that we must not have a parochial or provincial attitude. We must be willing to look at the total world scene at one time and be able to make value judgments as we go along.

Let us not have our attention entirely focused on the European area now as we had it entirely focused for a while on the Asian areas a few months ago. Let us keep an eye on both the east and the west. Let us keep our eye on Formosa, Indochina, Afghanistan, India, Vietnam, and remember that those areas are of crucial importance. It may very well be that the Communists are hoping that by political action, with no violence and no war, we will relax and lull ourselves into a false sense of security, and that those areas will fall into the Soviet sphere. Let us see to it that those areas of the world remain within the area of freedom.

Mr. President, as I conclude this message, may I sound this note of warning, that the crucial issue in Western Europe is still Germany. I have stated on this floor not once but a dozen times that we must never forget that what the Soviet Union has in its mind most of all is a neutral Germany which will not participate in the Western defense collective security system. We must have the courage to make certain that that does not happen. I am hopeful that the comment which was made by our Chief Executive in a recent press conference—I believe it was on yesterday—will not be interpreted to mean that the United States of America would settle for a kind of neutral Germany.

I recall that the President was asked about the so-called neutrality of Austria, and he remarked that Austria is not a neutral in the sense of having no armed strength; but that Austria is a neutral like Sweden and Switzerland; a neutral which has armament to protect itself, and a nation which will protect itself.

The Soviet Union was very careful to let that happen. The Soviet Union could have prevented it from happening. I say that if that is the principle which

is to be applied to a unified Germany, it will mean that Germany will be in a central position to play off the East from the West.

Mr. President, we must make certain that Germany remains within the North Atlantic Treaty Organization. We must make certain that Germany's orientation is to the areas of freedom. We cannot run the risk of having a powerful Germany, in the role of a neutral, play off the East from the West.

I serve a solemn note of warning that in any negotiations which may occur in the months ahead, what happens in Germany will be of crucial importance to the American people. Therefore, let us strengthen in every way we can the ties of friendship between ourselves and the Federal Republic of West Germany. Let us make it crystal clear that we will not bargain away Western European collective security in the name of some kind of newfangled neutralism. This could be the issue which might well determine the developments of the future.

I rise to say this today because it is on my heart. I think we ought to speak aloud and use every opportunity to discuss these matters while there is still time for reasonable men to have honest discussion and even honest dissent.

REGULATION OF SUBSISTENCE EXPENSES AND MILEAGE ALLOWANCES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 352, Senate bill 1580.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 1580) to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I offer an amendment on line 7, to strike out "\$13" and to insert in lieu thereof "\$12."

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Texas.

The LEGISLATIVE CLERK. On page 1, line 7, it is proposed to strike out "\$13" and to insert in lieu thereof "\$12."

Mr. JOHNSON of Texas. In justification of the amendment, I may say that the military pay bill, which has been previously acted upon by Congress, provided a maximum of \$12. It is the belief of the distinguished junior Senator from Georgia [Mr. RUSSELL], who is chairman of the Committee on Armed Services, and of other members of the committee which handled the proposed legislation that there should be a uniform per diem allowance.

Mr. President, I ask unanimous consent to have the report of the Committee on Post Office and Civil Service printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report (No. 348) is as follows:

The Committee on Post Office and Civil Service, to whom was referred the bill (S. 1580) to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government, having considered the same, report favorably thereon without amendment, and recommend that the bill do pass.

PURPOSE

S. 1580 would amend sections 3 and 4 of the Travel Expense Act of 1949 (5 U. S. C. 836-837) to raise the maximum allowable per diem rate for travel within the Continental United States from \$9 to \$13, and the maximum mileage rates, for the use of privately owned motorcycles and automobiles, from 4 and 7 cents to 6 and 10 cents, respectively.

JUSTIFICATION

The existing maximum per diem allowance for civilian employees while traveling within the limits of the United States is limited to \$9 by the Travel Expense Act of 1949. The rate of \$13 provided by this enactment is based on an allowance of \$7.30 for hotel room, \$4.50 for meals, and \$1.20 for incidental expenses. These amounts are based upon the following:

Hotel costs: A large hotel accounting firm found, upon a study of room rates of 375 hotels used by businessmen in traveling, that the average room rate for a single room during 1954 was \$7.30.

Cost of meals: The allowance of \$4.50 is based upon a similar study and allocates \$1 for breakfast, \$1.25 for luncheon, and \$2.25 for dinner. Two hotel accounting firms report that the price of hotel and restaurant meals has increased not less than 20 percent since 1949.

Incidental expenses: The \$1.20 for incidentals is intended to cover such items of expense as tips and fees while traveling, hotel tips, tips to waiters, laundry, cleaning and pressing, telegrams for room reservations, etc.

COST

The Bureau of the Budget estimates the total additional cost of this bill will not exceed a maximum of \$30 million a year and its actual cost may be several million dollars a year less.

AGENCY REPORTS

Following are agency reports on S. 1580 as introduced and reported:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 14, 1955.
Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office
and Civil Service, United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: This will acknowledge your letter of April 1, 1955, inviting the Bureau of the Budget to comment on S. 1580, to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

In his message to the Congress on Federal personnel management the President stated that a legislative proposal would be submitted for an appropriate increase in the per diem allowance for civilian employees who travel on official business. On March 8 the Bureau of the Budget transmitted to the President of the Senate and the Speaker of the House a draft bill which would carry out the President's recommendation. Copies of this correspondence, which was referred to the Committee on Government Operations, are enclosed for your information.

Briefly, the Bureau's bill proposes that the maximum per diem travel allowance be increased from \$9 to \$13; that special provision be made for unusual types of travel where

the maximum rate would be much less than the necessary actual expenses incurred; that present mileage allowances remain unchanged; that the maximum per diem allowance for civilians performing work for the Government without compensation be increased from \$10 to \$15; and that the travel rates for civilian employees who travel as witnesses on behalf of the United States be governed by the Travel Expense Act of 1949, as amended, rather than by separate legislation.

These proposed amendments were developed after extensive study and consultation with the major agencies of the Government. It is suggested that if your committee plans to take up legislation amending the Travel Expense Act, consideration be given to the changes proposed by the Bureau's bill.

Sincerely yours,

PERCIVAL F. BRUNDAGE,
Acting Director.

UNITED STATES CIVIL
SERVICE COMMISSION,

Washington, D. C., May 10, 1955.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post
Office and Civil Service,
United States Senate.

DEAR SENATOR JOHNSTON: This is in further reply to your letter of April 1, 1955, requesting the views of the Civil Service Commission on S. 1580, a bill to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

Section 2 of the bill would increase the maximum per diem allowance from \$9 to \$13 for Federal civilian employees who travel on official business within the limits of the continental United States. Section 3 would increase from 4 cents per mile to 6 cents per mile the allowance to employees for use of their privately owned motorcycles, and from 7 cents per mile to 10 cents per mile for use of their privately owned automobiles or airplanes, when traveling on official business.

On March 8, 1955, the Bureau of the Budget submitted to the Congress a legislative proposal which, among other things, would increase the maximum per diem allowance from \$9 to \$13 for civilian employees who travel on official business within the limits of the continental United States. A study by the Bureau of the Budget indicated such an increase was warranted on the basis of average hotel room rates, the increased price of hotel restaurant meals, and the increased cost of incidental expenses. The Commission endorses this provision of S. 1580.

The administration's legislative proposal recommends against any increase in mileage allowances to employees for use of privately owned vehicles while traveling on official business. No change in the present allowances was found to be justified on the basis of cost figures for the operation of automobiles, and the average mileage allowances most commonly used by private companies which compensate their employees on a flat mileage basis for use of personal cars on company business. The Commission does not favor section 3 of S. 1580.

The administration's legislative proposal also recommends three other changes in the present travel allowances. They are: (1) a special provision for unusual types of travel where the maximum rate would be much less than the necessary actual expenses incurred; (2) an increase from \$10 to \$15 in the maximum per diem allowance for employees serving without compensation; and (3) that travel rates for civilian employees who travel as witnesses on behalf of the United States be governed by the Travel Expense Act of 1949, as amended, rather than by separate legislation.

Because S. 1580 does not carry out all the recommendations contained in the admin-

istration's legislative proposal, we strongly recommend favorable action on the draft bill submitted to the Congress on March 8, 1955, instead of S. 1580.

We are advised that the Bureau of the Budget has no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

PHILIP YOUNG, Chairman.

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, April 19, 1955.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and
Civil Service,
United States Senate.

DEAR MR. CHAIRMAN: Reference is made to your letter of April 1, 1955, acknowledged by telephone April 6, enclosing copies of S. 1580, 84th Congress, and requesting our report and comments thereon.

The bill would amend sections 3 and 4 of the Travel Expense Act of 1949 (63 Stat. 166). Specifically, the maximum allowable per diem rate for travel within the continental United States would be raised from \$9 to \$13, and the maximum mileage rates, for the use of privately owned motorcycles and automobiles, from 4 and 7 cents to 6 and 10 cents, respectively.

With respect to the maximum per diem rate contemplated by the bill, upon the basis of recent experiences by employees of our Office the existing maximum rate of \$9 is inadequate. We have found generally that our employees are required to expend approximately \$12 per day for suitable lodging, meals, and additional necessary subsistence expenses incident to official travel. We recognize, however, that governmentwide experience may reflect a need for a maximum per diem of \$13. Accordingly, it is recommended that section 3 of the Travel Expense Act of 1949 be amended by eliminating the figure "\$9" and substituting either "\$12" or "\$13" in lieu thereof, as the overall facts presented to your committee may warrant.

Concerning the proposed increased mileage rates for the use of privately owned motorcycles and automobiles, there is no information available here relative to the necessity therefor.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

"SECTIONS 3 AND 4 OF THE TRAVEL EXPENSE ACT OF 1949

"SEC. 3. Civilian officers and employees of the departments and establishments (except justices and judges covered by section 456 of title 28 of the United States Code), while traveling on official business and away from their designated posts of duty, shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance to be prescribed by the department or establishment concerned, not to exceed the rate of [\$9] \$13 within the limits of the continental United States and in case of travel beyond the limits of the continental United States not to exceed rates established by the Director of the Bureau of the Budget for the locality in which the travel is performed: *Provided*, That such civilian officers and employees who become incapacitated due to illness or injury, not due to their own misconduct, while traveling on official business and away from

their designated posts of duty, shall be allowed such per diem allowances, and transportation expenses to their designated posts of duty, in accordance with regulations promulgated and approved under this act.

"SEC. 4. Civilian officers or employees of departments and establishments or others rendering service to the Government shall, under regulations prescribed by the Director of the Bureau of the Budget, and whenever such mode of transportation is authorized or approved as more advantageous to the Government (except that no determination of advantage is required where payment on a mileage basis is limited to the cost of travel by common carrier, including per diem), be paid in lieu of actual expenses of transportation not to exceed [4] 6 cents per mile for the use of privately owned motorcycles, or [7] 10 cents per mile for the use of privately owned automobiles or airplanes, when engaged on official business within or outside their designated posts of duty or places of service. In addition to the mileage allowances provided for in this section, there may be allowed reimbursement for the actual cost of ferry fares, and bridge, road, and tunnel tolls."

Mr. JOHNSTON of South Carolina. Mr. President, the bill was reported unanimously by the Committee on Post Office and Civil Service. I understand why the reduction has been made from \$13 to \$12. So far as I am concerned, as chairman of the committee, and only as the chairman—I have not had time to discuss the matter with all the members of the committee—it is perfectly agreeable to reduce the amount, so as to make it uniform throughout the Government.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. JOHNSON].

The amendment was agreed to.

The bill (S. 1580) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That this act may be cited as the "Travel Expense Act of 1955."

SEC. 2. Section 3 of the act of June 9, 1949 [5 U. S. C. 836-837] is amended by striking the figure "\$9" and inserting "\$12" in lieu thereof.

SEC. 3. Section 4 of said act is amended by striking the figures "4 cents" and "7 cents" and inserting "6 cents" and "10 cents", respectively, in lieu thereof.

SEC. 4. This act shall take effect no later than 30 days following its enactment.

Mr. JOHNSON of Texas. Mr. President, in view of the action taken on Senate bill 1580, Calendar No. 352, I ask that Calendar No. 357, Senate bill 1795, which treats with the same subject, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, Senate bill 1795 is indefinitely postponed.

FEDERAL - AID ROAD - CONSTRUCTION PROGRAM

The Senate resumed the consideration of the bill (S. 1048) to amend and supplement the Federal-Aid Road Act approved July 11, 1911 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, do I understand correctly that Sen-

S. 1580

IN THE HOUSE OF REPRESENTATIVES

MAY 23, 1955

Referred to the Committee on Government Operations

AN ACT

To regulate subsistence expenses and mileage allowances of civilian officers and employees of the Federal Government.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Travel Expense Act of
4 1955".

5 SEC. 2. Section 3 of the Act of June 9, 1949 (5 U. S. C.
6 836-837) is amended by striking the figure "\$9" and
7 inserting "\$12" in lieu thereof.

8 SEC. 3. Section 4 of said Act is amended by striking
9 the figures "4 cents" and "7 cents" and inserting "6 cents"
10 and "10 cents", respectively, in lieu thereof.

11 SEC. 4. This Act shall take effect no later than thirty
12 days following its enactment.

Passed the Senate May 19 (legislative day, May 2),
1955.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To regulate subsistence expenses and mileage
allowances of civilian officers and employees
of the Federal Government.

MAY 23, 1955

Referred to the Committee on Government Operations

May 19, 1955

on May 24 (pp. 5626-7, 5642-3).

11. PUBLIC LANDS. The Interior and Insular Affairs Committee reported with amendments S. 1464, to authorize the Interior Department to acquire rights-of-way and existing connecting roads for access roads to public lands under its jurisdiction (S. Rept. 364)(p. 5603).
12. ROADS. Sen. Byrd inserted several newspaper articles commenting on the President's proposed road program (pp. 5619-23).
13. FORESTRY; MINING. Sen. Humphrey spoke in favor of S. 1713, to provide protection of national forests from unreasonable mining claims, and inserted a Sport Fishing Institute Bulletin article, "Mining Claims and Fishing," discussing this subject (pp. 5624-5).
14. PERSONNEL. Received a draft of proposed legislation from the Civil Service Commission to amend the Federal Employees' Group Life Insurance Act of 1954; to Post Office and Civil Service Committee (p. 5601).
15. SEED STORAGE. Received a resolution of the Greater North Dakota Association favoring the establishment of a national seed storage facility (p. 5603).
16. OLEOMARGARINE. Sen. Thye remarked on actions under consideration by the Federal Trade Commission against certain manufacturers of oleomargarine who have allegedly used false advertising to the detriment of the dairy industry (pp. 5613-4).
17. ELECTRIFICATION; RECLAMATION. Sen. Murray inserted an article from America by Mark J. Fitzgerald, S. J., in support of S. 1333 to construct a high dam on the Snake River (pp. 5618-9).
 Sen. Watkins exchanged remarks with Sen. Kuchel on the value of the Colorado River Storage project, and inserted a statement by W. A. Dexheimer in support of the project (pp. 5639-41).
 Sen. Neuberger commented in support of the Crooked River Project and the proposal to use power revenues to help finance the project. W. A. Dexheimer's statement is included in support thereof. (pp. 5648-9).
 Sen. Neuberger inserted an editorial from the St. Louis Post-Dispatch critical of the Administration's program to permit development of the Hells Canyon project by Idaho Power and urging the construction of a high dam by the Federal government (pp. 5649-50).

HOUSE

18. RESERVE FORCES. Continued debate on H. R. 5297, to provide for strengthening of the Reserve Forces (pp. 5651-63).
19. SURPLUS COMMODITIES; RECLAMATION. The Rules Committee ordered reported resolutions for consideration of H. R. 2851, to authorize CCC to process food commodities for donation to the needy; and H. R. 5881, to provide for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects (p. 5642).
 The Interior and Insular Affairs Committee reported with amendment H. R. 4663, to authorize the Trinity River division, Central Valley project, Calif. (H. Rept. 602) (p. 5699).

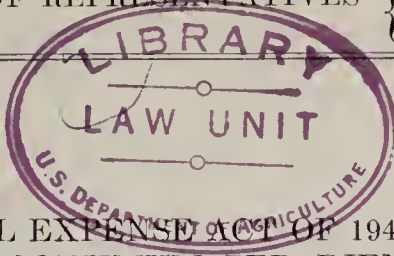
May 19, 1955

-4-

20. TRAVEL EXPENSE. The Government Operations Committee reported with amendment H. R. 6295, to provide for an increase in maximum per diem allowance for subsistence and travel expenses (H. Rept. 604) (p. 5699).
21. APPROPRIATIONS. Passed with amendments H. R. 6239, the D. C. appropriation bill for 1956 (pp. 5666-85).
Passed as reported H. J. Res 310, the second urgent deficiency appropriation bill, 1955 (p. 5686). The joint resolution, which had been reported without amendment earlier in the day (H. Rept. 605), provides 263,475 for the Commission on Organization of the Executive Branch of the Government and \$25 million for the Veterans' Administration for readjustment benefits (p. 5699).
The Appropriations Committee reported without amendment H. R. 6367, the Department of Commerce and related agencies appropriation bill for 1956 (H. Rept. 603) (p. 5699).
22. FARM PROGRAM; RECLAMATION. Rep. Holifield criticized the administration's present flexible price support program, the reduction in acreage allotments, and the proposed upper Colorado River project (pp. 5687-93).
23. PRICE SUPPORTS. Rep. Meader inserted a Jackson Citizen Patriot editorial objecting to his criticism of Gov. Williams' support of H. R. 12, the 90 percent price support bill (pp. 5663-4).
24. TRADE AGREEMENTS. Rep. Bailey criticized certain provisions of H. R. 1, the trade agreements extension bill, as passed by the Senate (pp. 5693-6).
25. ELECTRIFICATION. Received a Mo. Legislature resolution urging an appropriation for the Southwestern Power Administration, and to make power available to all who need it (p. 5699).
26. SCHOOL MILK. Received an Hawaiian Legislature resolution urging extension of the special school milk program to Hawaii (p. 5699).
27. ADJOURNED until Mon., May 23 (p. 5699). Legislative program as announced by Majority Leader McCormack: Mon., D. C. bills; Tues., Commerce appropriation bill; Wed., Thurs., and Fri., H. R. 2851, surplus commodities donation bill, and H. R. 5881, loans to small reclamation projects (p. 5686).
28. REORGANIZATION; PERSONNEL. H. Doc. 164 (see Digest 81) is a Presidential recommendation that Congress approve a GS-18 position, in lieu of a GS-17 position, for the President's Advisory Committee on Government Organization.

BILLS INTRODUCED

29. WHEAT. S. 2013, by Sen. Schoeppel, to provide for an emergency wheat program to be effective in 1956 if producers disapprove marketing quotas for the 1956 wheat crop; to Agriculture and Forestry Committee (p. 5604). Remarks of author (p. 5605).
30. INFORMATION. S. 2017, by Sen. Langer, to amend title 18 of the United States Code so as to prohibit the misuse by collecting agencies of names, emblems, and insignia to indicate Federal agency; to Judiciary Committee (p. 5604).
31. PERSONNEL. S. 2019, by Sen. Carlson, to amend the Federal Employees' Group Life Insurance Act of 1954; to Post Office and Civil Service Committee (p. 5604). Remarks of author (p. 5606).



AMENDING THE TRAVEL EXPENSE ACT OF 1949 TO PROVIDE AN INCREASED MAXIMUM PER DIEM ALLOWANCE FOR SUBSISTENCE AND TRAVEL EXPENSES

MAY 19, 1955.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DAWSON of Illinois, from the Committee on Government Operations, submitted the following

REPORT

[To accompany H. R. 6295]

The Committee on Government Operations, to whom was referred the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Page 2, line 9, strike the period and insert "for each day in travel status."

Page 3, line 6, strike the period and insert "for each day in travel status."

SUMMARY OF PROVISIONS

Section 1 amends the Travel Expense Act of 1949 by raising the maximum per diem allowance for subsistence and travel expenses for regular Government employees from the present \$9 per day to \$13 per day. This section also includes a new provision which will permit heads of departments and agencies to prescribe conditions under which reimbursement may be made for the actual and necessary expenses of a trip in unusual circumstances where these expenses exceed the maximum per diem amount authorized. This may be done before or after the trip depending on the circumstances. Such reimbursement may not, however, exceed the sum of \$25 per day. This may only be done under general regulations promulgated by the Director of the Bureau of the Budget.

Section 2 amends the Administrative Expenses Act of 1946 by increasing the per diem rate for those who serve the Government without compensation from the present \$10 per day to \$15 per day and also includes an actual expense proviso not to exceed \$25 per day as contained in section 1.

Section 3 provides for payment of travel expenses of civilian employees of the Government who serve as witnesses for the United States under the Travel Expense Act of 1949 rather than under the separate legislation that now exists. This was recommended by the Department of Justice. The travel expenses of these employee-witnesses would thus be administered in the same manner as employees traveling on other types of assignments governed by the Travel Expense Act.

GENERAL STATEMENT

The Subcommittee on Executive and Legislative Reorganization heard considerable testimony from representatives of the departments and agencies and from Federal employee organizations on the inadequacy of the present \$9 per diem rate and the rise in the cost of subsistence since the travel bill of 1949 was enacted. It received recommendations for raising the rate which varied from \$13 to \$15 per day. The subcommittee and the full committee agreed that \$13 was a reasonable maximum figure. Where in unusual circumstances the expenses of the employee exceed that amount the actual-expense proviso contained in section 1 should take care of it. It was also agreed that employees who serve the Government without compensation, such as advisers and consultants, should be reimbursed for subsistence and travel expenses at a rate of \$15 per day.

The committee is aware that in some cases the maximum is not required. A number of agencies set per diem rates at less than the maximum or scaled to the circumstances of the trip, but the committee feels that Federal employees should be protected against being required to pay out of their own pockets the necessary expenses incident to their official travel for the Government. The maximum per diem rate, as well as the actual expense proviso, would be governed by general regulations promulgated by the Bureau of the Budget and the committee was assured by the Bureau that regulations could be drawn and would be drawn to prevent any abuse of the higher rate.

Evidence was presented that the present mileage rates for the use of privately owned motorcycles and automobiles should be raised. The rates are now 4 and 7 cents per mile respectively. It was felt, however, that on the whole the expenses of operating these privately owned conveyances when traveling on Government business do not exceed the current rates.

The Bureau of the Budget estimated that the additional cost to the Government due to the increase in per diem from \$9 to \$13 would not exceed \$30 million.

The committee emphasizes the fact that the per diem rate prescribed in the bill is a maximum one and the committee expects that the maximum rate will only be allowed where the circumstances clearly warrant it. The Bureau of the Budget and the heads of departments and agencies have both the authority and the responsibility to see that no deviation from this principle occurs.

NECESSITY FOR INCREASE IN RATE

The Bureau of the Budget submitted to the Congress the following report as evidence of the necessity to increase the rate from \$9 to \$13 per day:

ADEQUACY OF TRAVEL ALLOWANCES

REGULAR CIVILIAN EMPLOYEES

The existing maximum per diem allowance for civilian employees while traveling within the limits of the continental United States is prescribed as \$9 by the Travel Expense Act of 1949 as amended. This rate of \$9 is the maximum allowable. Lower rates are authorized for trips in areas where the expenses necessarily incurred by travelers are less than in high-cost areas.

The recommended maximum rate of \$13 consists of approximately \$7.30 for hotel room; \$4.50 for meals; and \$1.20 for incidental expenses. It is based upon the following considerations:

Hotel costs

The hotel accounting firm of Harris, Kerr & Forster has found, upon a study of room rates of 375 hotels used by businessmen in traveling, that the average room rate for a single room during 1954 was \$7.30. The hotel accounting firm of Horwath & Horwath, on the basis of an average sample of between 360 and 400 hotels, has advised that the average room rate for a single room during 1954 was between \$6.70 and \$6.95. These estimates of the two firms represent average room rates. The higher amount of \$7.30 has been used since the recommended rate of \$13 per diem represents not an average but a maximum allowable per diem.

Cost of meals

The amount estimated for meals per day is \$4.50 based upon an allocation of \$1 for breakfast; \$1.25 for luncheon; and \$2.25 for dinner. Both hotel accounting firms report that the price of hotel restaurant meals has increased approximately 20 percent since 1949.

Incidental expenses

The amount, averaging \$1.20 per day, is intended to cover such items of expense as tips and fees while traveling; hotel tips; tips to waiters; laundry; cleaning and pressing; telegrams for room reservations; etc. These miscellaneous expenses have also increased in recent years. The Bureau of Labor Statistics reports, on the basis of a study of prices in 34 large cities until 1952 and in 46 cities since that time, that the cost of dry cleaning and pressing has increased 13.2 percent between June 1949 and September 1954; and that the cost of laundry has increased 18.3 percent during the same period. In view of the higher costs of meals, the amounts for tips have correspondingly increased.

INDIVIDUALS SERVING WITHOUT COMPENSATION

The existing maximum per diem rate of \$10 is prescribed in section 5 of the Administrative Expenses Act of 1946 for individuals serving the Government without compensation and applies while they are away from home or regular places of business. Since these individuals generally serve as consultants for short periods of time and serve without receiving any compensation, a higher maximum rate of per diem than that prescribed for regular employees has been allowed in the past. In view thereof, the maximum rate of \$15 is recommended for these individuals. Section 5 of the Administrative Expenses Act of 1946 provides that a rate higher than that prescribed therein may be authorized in specific legislation. The rate of \$15 was provided in the Defense Production Act of 1950. The 83d Congress authorized the \$15 rate for members of the President's Advisory Committee on Government Organization; members of the National Capital Planning Commission who serve without compensation; and individuals serving without compensation in an advisory capacity under the item "International contingencies" in the Department of State appropriation acts for the fiscal years 1954 and 1955. A per diem rate not in excess of \$25 has been provided for individuals serving without compensation on advisory committees under title VI of the Housing Act of 1949 and under the Housing Act of 1954. The 83d Congress also increased to \$15 the per diem rate for Federal judges and justices which had been established at \$10 in 1940.

SPECIAL FORM OF REIMBURSEMENT FOR UNUSUAL CIRCUMSTANCES

The provision in the first section of the draft bill, authorizing reimbursement on an actual-expense basis in lieu of the per diem basis, is proposed for use in a very limited number of situations. Occasionally employees are required to travel on assignments which necessitate personal expenditures well in excess of the reimbursement which would be obtained at the \$13 per diem rate. Attendance at meetings or conventions of private business or industry which are held at expensive hotels is an example. Government representatives attending these meetings in furtherance of their official duties have no choice but to stay at the convention hotel where even the cheapest rooms may exceed the entire per diem. Likewise these representatives are required to take their meals at these hotels. A similar situation where expensive hotels must be used arises at times when Secret Service agents travel with the President and must stay at the hotel in which he stays. Likewise unusually high rates are encountered from time to time when an employee must travel to a locality in which a disaster has occurred or must travel at a particular time to a city when only the more expensive hotel rooms are available due to conventions. As set forth in the draft bill, this type of travel would be governed by regulations of the Director of the Bureau of the Budget and under conditions prescribed by department heads. Also a maximum allowable amount of reimbursement would be determined in advance of the trip and would be set forth in the order directing the employee's travel. The employee would be reimbursed for his actual and necessary expenses not in excess of the maximum stated in his travel order.

MILEAGE ALLOWANCES

No changes in mileage-allowance rates are proposed for the following reasons: The American Automobile Association in its Information Bulletin No. 92 of August 4, 1954, reported on the practice of private business in compensating their employees for use of personal cars on company business. The report contains a listing of flat mileage allowances used by private business firms as compiled by the Dartnell Corp., Chicago, Ill. Of the total firms covered by the Dartnell survey, 28 percent reimbursed employees for use of their automobiles at a rate less than 7 cents a mile; 45 percent at the 7-cent rate; 5 percent between 7 and 8 cents; 16 percent at 8 cents, and 3 percent at 9- and 10-cent rates. The weighted average allowance as reported by Dartnell was 7.01 cents.

More recent information has been obtained from the AAA giving a breakdown of cost figures for the operation of an automobile as prepared by Runzheimer & Co., Chicago cost-accounting firm. The breakdown for a postwar model car in the \$2,000 price class, driven up to 18,000 miles per year, shows that variable costs (gasoline, oil, maintenance, and tires) average 3.54 cents per mile while the fixed costs (insurance, license fees, depreciation) average about \$1.65 per day. On a mileage basis for the entire year the total cost to a car owner would be approximately 6.86 cents per mile. This amount for a comparable car, driven only approximately 10,000 miles a year, was given as 9.52 cents per mile. These rates, of course, vary with the mileage driven, the class of car, and the type of driving conditions generally encountered by the individual during a year, whether in mountainous or flat country or in congested metropolitan centers or rural areas.

Since the rate of 7 cents per mile still appears to be the rate most commonly used by companies which have followed the flat mileage method, no change is recommended for the Federal Government.

The statement of the Assistant Director of the Bureau of the Budget at the subcommittee hearings on the bill follows:

STATEMENT OF DONALD R. BELCHER, ASSISTANT DIRECTOR, BUREAU OF THE BUDGET

Mr. Chairman and members of the committee, I appreciate the opportunity to appear before your subcommittee to discuss H. R. 3950, H. R. 4169, and H. R. 4918, which provide for increased allowances for civilian employees who travel on official business.

It is generally recognized that the existing maximum per diem travel allowance of \$9 is, in many cases, inadequate to reimburse the traveler for out-of-pocket costs. In his message to the Congress on Federal personnel management, the President stated that a legislative proposal would be submitted for an appropriate increase in the per diem allowance. At the time that message was submitted, information was being gathered on present-day travel costs. After the informa-

tion was analyzed, recommendations were made to the Congress. Those recommendations are embodied in H. R. 4918, which provides that the maximum per diem travel allowance be increased from \$9 to \$13; that special provision be made for unusual types of travel where the maximum rate would be much less than the necessary actual expenses incurred; that present mileage allowances remain unchanged; that the maximum per diem allowance for civilians performing work for the Government without compensation be increased from \$10 to \$15; and that the travel rates for civilian employees who travel as witnesses on behalf of the United States be governed by the Travel Expense Act of 1949, as amended, rather than by separate legislation.

H. R. 3950 and H. R. 4169 would increase the maximum per diem allowance from \$9 to \$15, mileage allowance for motorcycles from 4 to 6 cents, and mileage allowance for privately owned automobiles or airplanes from 7 to 12 cents.

We believe that for the normal run of travel, rates lower than those provided in H. R. 3950 and H. R. 4169 would be adequate. I shall, therefore, direct my discussion to the provisions of H. R. 4918.

INCREASE IN PER DIEM

The first section of H. R. 4918 would amend section 3 of the Travel Expense Act of 1949, as amended. It would increase the maximum per diem allowance from \$9 to \$13 for civilian employees who travel on official business within the limits of the continental United States. The \$13 rate would be comprised of approximately \$7.30 for hotel room; \$4.50 for meals; and \$1.20 for incidental expenses. It is based upon the following considerations.

The hotel accounting firm of Harris, Kerr, Forster & Co. reported in December 1954 that, upon the basis of audit of 375 hotels (located in 185 cities and towns throughout the country) used by businessmen in traveling, the average room rate for a single room during 1954 was \$7.30. It more recently reported that its final analysis for calendar year 1954 shows an average single-room rate of \$7.40. The hotel accounting firm of Horwath & Horwath, on the basis of an average sample of between 360 and 400 hotels located throughout the United States, advised in January 1955 that the average room rate for a single room during 1954 was between \$6.70 and \$6.95.

The amount estimated for meals per day is \$4.50 based upon an allocation of \$1 for breakfast, \$1.25 for luncheon, and \$2.25 for dinner. Both hotel accounting firms report that the price of hotel restaurant meals has increased approximately 20 percent since 1949, at which time the estimated meal cost was \$3.75.

The amount for incidental expenses, averaging \$1.20 per day, is intended to cover such items of expense as tips and fees while traveling; hotel tips; tips to waiters; laundry; cleaning and pressing; telegrams for room reservations; etc. These miscellaneous expenses have also increased in recent years. The Bureau of Labor Statistics reports, on the basis of a study of prices in 34 large cities until 1952 and in 46 cities since that time, that the cost of dry cleaning and pressing has increased 14 percent between June 1949 and December 15, 1954; and that the cost of laundry has increased 18.7 percent during the same period. In view of the higher costs of meals, the amounts for tips have correspondingly increased.

Some Federal employees keep actual expense records of their travel costs. A few agencies were asked to submit examples of actual expenses incurred by employees. Illustrations of such information are as follows:

1. Expenses incurred by an employee of the Commodity Stabilization Service, Department of Agriculture, in a 20-day trip to Portland, Denver, and Cincinnati averaged \$12.68 a day in Portland, \$13.65 in Denver, and \$11.60 in Cincinnati.

2. Expenses incurred by an employee of the Atomic Energy Commission in a 14-day trip to San Francisco averaged \$13.62 a day.

3. Expenses incurred by an employee of the Bureau of Public Debt, Treasury Department, in 2 trips involving 15½ days to Philadelphia, Columbia, S. C., Jackson, Miss., and New Orleans averaged \$13.06 a day.

We have only a limited amount of information on actual travel expenses incurred by employees in private industry. Examples are as follows:

1. The local office of a large corporation indicated average travel costs as follows: Hotel, \$8 to \$8.50 per day; meals, \$5.75 to \$7.75 per day; tips, \$1 per day; average per day, \$14.75 to \$17.25.

2. Expenses of a sales representative of another corporation traveling in the four-State area of Maryland, Virginia, and North and South Carolina during the

6-month period October 1, 1954, to March 31, 1955, involving 45 days of travel are as follows:

Hotel-----	\$251. 25
Meals-----	314. 15
Valet, tips, etc-----	82. 80
Total-----	648. 82
Average per day-----	14. 40

3. A sales representative of another company reported expenses for a 1-week period as follows:

Baltimore, Apr. 4, 1955-----	\$12. 90
Baltimore, Apr. 5-----	12. 70
Washington, D. C., Apr. 6-----	14. 45
Richmond, Va., Apr. 7-----	12. 10
Roanoke, Va., Apr. 8-----	12. 20
Danville, Va., Apr. 9-----	12. 20
Average per day-----	12. 75

In considering the rate of \$13 per diem, it must be remembered that this would be the maximum rate. The Standardized Government Travel Regulations will continue to emphasize the fact that the departments and establishments are responsible for seeing to it that travel orders authorize only such per diem allowances within the maximum rate as are justified by the circumstances surrounding the travel.

Per diem rates on a graduated scale are authorized by agencies to meet necessary expenses, depending on the type of travel involved and the length of time spent at individual duty stations. For example, it is estimated that during the present fiscal year, 1,187,632 days of travel will be performed in the Department of Agriculture. Of this total, approximately 908,000 travel days or 76.5 percent will be authorized at per diem rates below the maximum, ranging from \$8 to \$5 and below. In the Department of Interior approximately 50 percent of the estimated travel days for the fiscal year 1956 will be at various rates below the maximum ranging from \$3 to \$8. In the Department of Commerce, 33 percent of the travel is at per diem rates ranging from \$3 to \$8. An analysis of 2,800 civilian travel vouchers made by the Air Force in 1954 indicated an average per diem rate of \$8.14. Veterans' Administration estimates, for fiscal year 1956, 290,115 days at \$9 per day, 2,500 days at \$6, and 2,500 days at \$4.

Questions have been raised from time to time as to the grades of Federal employees who normally travel. Examples are as follows:

1. The Department of Agriculture estimated that over 90 percent of the days traveled in the present fiscal year would be by employees in grades GS-12 and below, over one-half of which would be in grades GS-9 and below.

2. The Treasury Department estimates that approximately 60 percent of the employees required to travel are at grades GS-9 and below, nearly half of which are at the GS-7 level.

In view of the facts discussed above, it would appear that \$13 is a reasonable maximum per diem rate with the understanding that agencies will continue to be responsible for establishing such rates below the maximum as are justified by the circumstances surrounding the travel.

REIMBURSEMENT OF ACTUAL EXPENSES FOR UNUSUAL TRAVEL

The provision in the first section of the bill, authorizing reimbursement on an actual expense basis in lieu of the per diem basis, is proposed for use in a very limited number of situations. Occasionally employees are required to travel on assignments which necessitate personal expenditures substantially in excess of the reimbursement which would be obtained at the \$13 per diem rate. Attendance at meetings or conventions of private business or industry which are held at expensive hotels is an example. Government representatives attending these meetings in furtherance of their official duties often have no choice but to stay at the convention hotel where even the cheapest rooms may exceed the entire per diem. Likewise these representatives are required to take their meals at these hotels. A similar situation where expensive hotels must be used arises at times when Secret Service agents travel with the President and must stay at the hotel in which he stays. Likewise unusually high rates are encountered from time to time when an employee must travel at a particular time to a city when only the more expensive hotel rooms are available due to conventions. As set forth

in the bill, this type of travel would be governed by regulations of the Director of the Bureau of the Budget and under conditions prescribed by department heads. Also a maximum allowable amount of reimbursement would be determined in advance of the trip and would be set forth in the order directing the employee's travel. The employee would be reimbursed for his actual and necessary expenses not in excess of the maximum stated in his travel order.

We believe that, under proper controls, reimbursement on an actual expense basis in lieu of the per diem basis is desirable for the limited number of cases where the maximum per diem rate would not nearly compensate the employee for his necessary expenses.

INDIVIDUALS SERVING WITHOUT COMPENSATION

Section 2 of the bill proposes that the maximum per diem travel allowance for civilians performing work for the Government without compensation be increased from \$10 to \$15.

The existing maximum per diem rate of \$10 is prescribed in section 5 of the Administrative Expenses Act of 1946 for individuals serving the Government without compensation and applies while they are away from home or regular places of business. Since these individuals generally serve as consultants for short periods of time and serve without receiving any compensation, a higher maximum rate of per diem than that prescribed for regular employees has been allowed in the past. In view thereof, the maximum rate of \$15 is recommended for these individuals. Section 5 of the Administrative Expenses Act of 1946 provides that a rate higher than that prescribed therein may be authorized in specific legislation. The rate of \$15 was provided in the Defense Production Act of 1950. The 83d Congress authorized the \$15 rate for members of the President's Advisory Committee on Government Organization; members of the National Capital Planning Commission who serve without compensation; and individuals serving without compensation in an advisory capacity under the item "International contingencies" in the Department of State appropriation acts for the fiscal years 1954 and 1955. A per diem rate not in excess of \$25 has been provided for individuals serving without compensation on advisory committees under title VI of the Housing Act of 1949 and under the Housing Act of 1954. The 83d Congress also increased to \$15 the per diem rate for Federal judges and justices which had been established at \$10 in 1940. Since rates of \$15 and above have been authorized by the Congress under other acts, we believe that individuals subject to the Administrative Expenses Act of 1946, namely those serving without compensation, should be reimbursed for travel expenses at the rate of \$15 per day. We estimate a total of not more than 17,000 travel days in fiscal year 1956 by persons serving without compensation, which would represent an increase in travel costs of \$85,000 under H. R. 4918.

CONSOLIDATION OF TRAVEL AUTHORITY

Section 3 of the bill would amend section 1823 (a) of title 28, United States Code. This would bring the travel rates for civilian employees when traveling as witnesses on behalf of the United States under the Travel Expense Act instead of continuing them under separate legislation. The Department of Justice suggested this change. The rates in both acts are now identical. The proposed amendment, however, would not make the proposed reimbursement of unusual expenses on an actual expense basis applicable to travel of employees to serve as witnesses. The existing authority of the Attorney General to issue regulations relating to this travel, as contained in section 1823 (a), would not be changed by this amendment.

MILEAGE ALLOWANCES

H. R. 4918 does not propose any change in the mileage allowances authorized to be paid to Government employees for use of their privately owned motor vehicles while traveling on official business. Information at hand does not indicate a need for change in such allowances.

The American Automobile Association in its Information Bulletin No. 92 of August 4, 1954, reported on the practice of private business in compensating their employees for use of personal cars on company business. The report contains a listing of flat mileage allowances used by private business firms as compiled by the Dartnell Corp., Chicago, Ill. Of the total firms covered by the Dartnell survey, 28 percent reimbursed employees for use of their automobiles at a rate less than 7 cents a mile; 45 percent at the 7-cent rate; 5 percent between 7 and

8 percent; 16 percent at 8 cents, and 3 percent at 9 cents; and 3 percent at 10-cent rate. The weighted average allowance as reported by Dartnell was 7.01 cents.

More recent information published by the AAA in their Information Bulletin No. 93 of March 22, 1955, gives a breakdown of cost figures for the operation of an automobile as prepared by Runzheimer & Co., Chicago cost-accounting firm. The breakdown for a postwar model car in the \$2,000 price class, driven up to 18,000 miles per year, shows that variable costs (gasoline, oil, maintenance, and tires) average 3.54 cents per mile, while the fixed costs (insurance, license fees, depreciation) average about \$1.65 per day. On a mileage basis for the entire year the total cost to a car owner would be approximately 6.86 cents per mile. This amount for a comparable car, driven only approximately 10,000 miles a year, was given as 9.52 cents per mile. These rates, of course, vary with the mileage driven, the class of car, and the type of driving conditions generally encountered by the individual during a year, whether in mountainous or flat country or in congested metropolitan centers or rural areas.

The authorization contained in section 4 of the Travel Expense Act of 1949 for employees to use privately owned motorcycles, automobiles, or airplanes on official business with reimbursement on a mileage basis is limited in scope. It applies only when their use is authorized or approved as more advantageous to the Government than the use of common carrier, except that advantage need not be shown where reimbursement is limited to the cost of common carrier and the amount of per diem the employee would have received if common carrier facilities were used. Thus, reimbursement on a mileage basis, not to exceed 7 cents per mile, in lieu of actual transportation expenses and without regard to common carrier costs, is generally limited to trips where common carrier facilities are not available, such as in rural travel, or where the employee-driver is accompanied by other employees, all on official business.

ESTIMATED COST

It is difficult to estimate precisely the additional cost to the Government of the bill. The increase will result largely from the graduated scale of rates which will be used between the present \$9 maximum and the proposed \$13 maximum in those cases where \$9 is now inadequate.

For the fiscal year 1956 it is estimated that the total travel costs under the Travel Expense Act of 1949, as amended, for civilian travel within the continental United States will amount to about \$174 million at present travel rates. Of this amount it is estimated that approximately 50 percent will represent subsistence expenses covered by the per diem rate. This 50-percent figure was derived from estimates submitted by 15 of the major agencies which involve 90 percent of the travel. The estimated per diem part of total travel costs as furnished by the individual agencies ranged from 32 to 70 percent with an average for all agencies of 50 percent.

On the basis of this information and agency estimates, it is believed that the total additional cost of H. R. 4918 will not exceed a maximum of \$30 million a year and its actual cost may be several million under this figure.

The Bureau of the Budget favors enactment of H. R. 4918.

I thank you for your attention and would again like to express my appreciation for the opportunity to appear before you.

Additional evidence supporting the increase in per diem rates was presented at the hearing by representatives of the Comptroller General of the United States, the United States Civil Service Commission, the Department of Justice, the Department of Agriculture, the Department of Defense and the Department of the Interior. Federal employee organizations submitting material and supporting the increase were: The Government Employees Council, A. F. of L.; the American Federation of Technical Engineers, A. F. of L.; the American Federation of Government Employees and the Committee on Legislation for the National Association of Internal Revenue Employees. A report was filed for the hearing by the Department of Labor also supporting the increase.

Following is the statement of the representative of the Comptroller General of the United States at the hearings:

STATEMENT OF JOHN H. MARTINY, LEGISLATIVE ATTORNEY, GENERAL
ACCOUNTING OFFICE

The General Accounting Office appreciates the invitation of this subcommittee to appear before you and present our views and furnish any information we may have on H. R. 3950, H. R. 4169, and H. R. 4918.

H. R. 3950 and H. R. 4169 have identical provisions. Each bill would amend sections 3 and 4 of the Travel Expense Act of 1949 (1) to increase the maximum rate payable to Government employees for per diem allowance from \$9 to \$15 and (2) to increase the maximum mileage rates for the use of privately owned motorcycles and automobiles from 4 and 7 cents per mile to 6 and 12 cents respectively.

Section 1 of H. R. 4918 would increase the maximum per diem allowance to \$13 but does not propose any increase in the mileage rates.

The information available to the General Accounting Office, based solely upon the experience of our own employees, furnishes us ample basis for recommending that the maximum per diem rate be increased to at least \$12 but does not furnish any basis for favoring the \$15 rate. Also we have no information to support any recommendation relative to an increase in the mileage rates. Accordingly, we will address our comments to H. R. 4918.

The first part of section 1 of H. R. 4918 would amend section 3 of the Travel Expense Act of 1949, to increase the maximum per diem rate to \$13.

We asked some of our employees who frequently perform travel for information as to actual daily expenses incurred. Six investigators from the Washington office reported an average daily cost of approximately \$13.75 while in a travel status in the larger cities, such as New York, San Francisco, Chicago, Denver, and Cleveland. These costs included hotel, meals, valet service, and nominal tips. In return the employees received an allowance of \$9 per day.

In a recent trip to Indianapolis, by our Chief, Budget and Finance Branch, his average cost per day for a 3 day stay was \$13.25. The hotel room alone was \$8.50, leaving only 50 cents of the maximum \$9 rate for meals, tips and other items.

A member of our Accounting Systems Division reports that on a recent trip to Philadelphia, the hotel room was \$7 for his share of a double room, meals average \$4 a day, and miscellaneous expenses \$2.50, making a total of \$13.50 for which he was paid an allowance of \$9.

Six employees of our Division of Audits report an average daily cost of \$12 or more.

Accordingly, it is our recommendation that the maximum rate be established at either \$12 or \$13 whichever the overall facts presented to this subcommittee may warrant.

The purpose of H. R. 4918 is to permit the heads of departments and agencies, who authorize the performance of official travel, to allow, in justifiable cases, payment of per diem up to \$13 per day in lieu of the present maximum rate of \$9. It is expected that a maximum of \$13 will be allowed only when departments and agencies are fully satisfied that such allowance is actually needed to cover expenses of Government employees performing travel on official business away from their designated posts of duty. The maximum amount authorized by this bill is not mandatory but is intended to provide a flexible method of reimbursing Government employees for out-of-pocket expenses incurred when they are required to travel in high-cost areas.

This policy is recognized in paragraph 45 of the Standardized Government Travel Regulations which places the responsibility on each agency for authorizing only such per diem allowances as are justified to meet the necessary authorized expenses for each trip.

The policy of the General Accounting Office is set forth in an order of the Comptroller General as follows:

"I expect each employee of the General Accounting Office who authorizes or directs travel, who performs travel, or who reviews, certifies, or otherwise authorizes payments in reimbursement of travel expenses, to exercise due care and practice economy in all matters involving travel costs. However, consistent with such care and economy, it is my direction that no officer or employee of the General Accounting Office be put to personal expense because of his performance of properly authorized travel, if it can be avoided under existing laws, regulations, and a general program for administering per diem allowances in lieu of actual travel expenses."

General Accounting Office officials authorized to direct travel are charged with the responsibility of authorizing rates commensurate with the circumstances

involved. The maximum per diem may be authorized for our employees only when it is necessary to cover the proper personal expense of the traveler, which under existing conditions is most of the time, particularly on short trips. However, the maximum rate may not be authorized in excess of 60 days during a 180-day period unless approved in writing by the administrative officer. Also, no per diem may be paid in excess of 180 days for duty at any one temporary post of duty, except as specifically authorized or approved by the Comptroller General.

We believe that these regulations of the Comptroller General afford ample control for the assurance that we will use the proposed \$12 or \$13 maximum rate only when commensurate with the existing circumstances.

The increased cost to the General Accounting Office for the fiscal year 1956 based on a maximum per diem allowance of \$12 would be approximately \$300,000, representing a 23.33-percent increase over proposed estimate of \$910,000 and for a maximum rate of \$13, the increase would be a little over \$400,000, representing a 31.11-percent increase over such estimate.

The first section also contains a proviso to take care of a limited number of situations where employees are required to travel on assignments which necessitate personal expenditures well in excess of the maximum rate. The proviso would authorize reimbursement on an actual-expense basis not to exceed a maximum amount to be specified in the travel authorization.

We believe that a maximum should be specified in the bill if reimbursement on an actual expense basis is to be authorized. However, we recommend that the actual expense basis be discarded and that there be authorized a special per diem allowance not to exceed a rate which should be specified in the legislation. This would obviate the necessity for the traveler supporting each item of expenditure, by receipts or otherwise, as generally is required when reimbursed on an actual-expense basis. Language to accomplish this purpose has been submitted to the committee and a copy is attached for your information.

This language differs substantially from the language of the bill. Under the bill, the head of an agency may authorize this expense. However, under existing law, the head of an agency is authorized to delegate to any officer or employee of his agency any of his functions as he deems appropriate. The proposed language uses the words "department or establishment" so that no one will be misled into believing that the head of an agency personally will authorize this expense. However, we believe that the authority to incur this extraordinary expense should be retained on a high organizational level of each agency and that the regulations to be issued should preclude any redelegation by the official authorized by the head of the agency to authorize this expense.

Also the language of the bill establishes this benefit "on an actual-expense basis" which "may be authorized in advance." The proposed change uses a special per diem allowance basis and would permit approval of such an expense after the trip where travel is performed in an emergency. This is consistent with the provisions of paragraph 5 of the Standardized Government Travel Regulations.

Section 2 of the bill would increase the existing \$10 maximum per diem to \$15 for persons serving without compensation.

Section 3, proposing to amend 28 U. S. C. 1823 (a), would bring the travel rates for employees when traveling as witnesses on behalf of the United States under the Travel Expense Act. This would obviate the necessity for separate amendatory legislation at this time or at such future date as the per diem rates under the Travel Expense Act are modified.

We are convinced that an increase in the maximum per diem rate from \$9 to \$12 or \$13 is justified.

Accordingly, we recommend that this subcommittee consider the changes suggested for the proviso to section 1 and that favorable consideration be given to H. R. 4918.

Suggested change in language for proviso in section 1, H. R. 4918:

"* * * And provided further, That where because of the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the anticipated subsistence expenses of the trip the department or establishment concerned may, in accordance with regulations promulgated by the Director, Bureau of the Budget, prescribe a special per diem allowance not to exceed \$-----."

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TRAVEL EXPENSE ACT OF 1949

(63 Stat. 166, as amended; 5 U. S. C. 836)

* * * * *

SEC. 3. Civilian officers and employees of the departments and establishments (except justices and judges covered by section 456 of title 28 of the United States Code), while traveling on official business and away from their designated posts of duty, shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance to be prescribed by the department or establishment concerned, not to exceed the rate of ~~[\$9]~~ *\$13* within the limits of the continental United States and in case of travel beyond the limits of the continental United States not to exceed rates established by the Director of the Bureau of the Budget for the locality in which the travel is performed: *Provided*, That such civilian officers and employees who become incapacitated due to illness or injury, not due to their own misconduct, while traveling on official business and away from their designated posts of duty, shall be allowed such per diem allowances, and transportation expenses to their designated posts of duty, in accordance with regulations promulgated and approved under this Act: *And provided further*, *That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribed conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed \$25. for each day in travel status.*

* * * * *

THE ADMINISTRATIVE EXPENSES ACT OF 1946

(60 Stat. 808; 5 U. S. C. 73B-2)

* * * * *

SEC. 5. Persons in the Government service employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis may be allowed travel expenses while away from their homes or regular places of business, including per diem in lieu of subsistence while at place of such employment, in accordance with the Standardized Government Travel Regulations, sections 73a, 821-823, and 827-833 of this title, and persons serving without compensation or at \$1 per annum may be allowed, while away from their homes or regular places of business, transportation in accordance with said regulations and section 73a of this title, and not to exceed ~~[\$10 per diem]~~ *\$15 per diem within the limits of the continental United States and, beyond such limits, not to exceed the rates of per diem established by the Director of the Bureau of the Budget pursuant to section 3 of the Travel Expense Act of 1949, as amended (5 U. S. C. 836), in lieu of subsistence en route and at place of such service or employment unless a higher rates is specifically provided in an appropriation or other Act: And provided further*, *That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949 as amended (5 U. S. C. 840) prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed \$25 for each day in travel status.*

* * * * *

TITLE 28, UNITED STATES CODE

§ 1823. United States officers and employees.

(a) Any officer or employee of the United States or any agency thereof, summoned as a witness on behalf of the United States, shall be paid his necessary expenses incident to travel by common carrier, [and if travel is made by privately owned automobile mileage at a rate not to exceed 7 cents per mile, together with a per diem allowance not to exceed \$9 in lieu of subsistence] *or, if travel is made by privately owned automobile, at a rate not to exceed that prescribed in section 4 of the Travel Expense Act of 1949, together with a per diem allowance in lieu of subsistence not to exceed the rates of per diem as prescribed in, or established pursuant to, section 3 thereof* under regulations prescribed by the Attorney General. * * *

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ADDITIONAL VIEWS OF CLARE E. HOFFMAN

This bill, if adopted, will increase by several millions of dollars the cost of the operation of the Federal Government. It will add to the national debt and the interest charge thereon.

No complete, accurate estimate of the cost has been made. No information was given the committee as to any source from which the needed tax dollars can be obtained.

Federal employees who will be benefited by the increases were fully aware of the compensation and expense items to which they were entitled when they accepted employment.

The increase is part of a program which apparently is an effort to increase the compensation of all those who render service, either in private enterprise or governmental operations.

It seems inevitable that this increase, as others recently voted, and still others which will be put in operation, will tend to increase inflation—the cost of living.

In my opinion, the inevitable result will be ruinous inflation.

That, history shows, to be the result of similar programs in other countries. I know of no reason why it will not be the result here.

Respectfully submitted.

CLARE E. HOFFMAN.





Union Calendar No. 167

84TH CONGRESS
1ST SESSION

H. R. 6295

[Report No. 604]

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 1955

Mr. FASCELL introduced the following bill; which was referred to the Committee on Government Operations

MAY 19, 1955

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Insert the part printed in italic]

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 3 of the Travel Expense Act of 1949 (63 Stat.
4 166, as amended; 5 U. S. C. 836) is further amended by
5 striking “\$9” and inserting in lieu thereof “\$13”; and by
6 striking the period at the end thereof and adding the follow-
7 ing additional proviso: “: *And provided further,* That where
8 due to the unusual circumstances of a travel assignment
9 within the limits of the continental United States such maxi-

1 mum per diem allowance would be much less than the amount
2 required to meet the actual and necessary expenses of the
3 trip, the heads of departments and establishments may, in
4 accordance with regulations promulgated by the Director,
5 Bureau of the Budget, pursuant to section 7, prescribe con-
6 ditions under which reimbursement for such expenses may
7 be authorized on an actual expense basis not to exceed a
8 maximum amount to be specified in the travel authorization,
9 but in any event not to exceed \$25 *for each day in travel*
10 *status.*”

11 SEC. 2. Section 5 of the Administrative Expenses Act
12 of 1946 (60 Stat. 808; 5 U. S. C. 73b-2) is amended by
13 striking “\$10 per diem” and inserting in lieu thereof “\$15
14 per diem within the limits of the continental United States
15 and beyond such limits, not to exceed the rates of per diem
16 established by the Director of the Bureau of the Budget
17 pursuant to section 3 of the Travel Expense Act of 1949, as
18 amended (5 U. S. C. 836)”; and by striking the period at
19 the end thereof and adding the following additional proviso:
20 “: *And provided further*, That where due to the unusual
21 circumstances of a travel assignment within the limits of the
22 continental United States such maximum per diem allow-
23 ance would be much less than the amount required to meet
24 the actual and necessary expenses of the trip, the heads of
25 departments and establishments may, in accordance with

1 regulations promulgated by the Director, Bureau of the
2 Budget, pursuant to section 7 of the Travel Expense Act of
3 1949 as amended (5 U. S. C. 840) prescribe conditions
4 under which reimbursement for such expenses may be author-
5 ized on an actual expense basis not to exceed a maximum
6 amount to be specified in the travel authorization, but in
7 any event not to exceed \$25 *for each day in travel status.*”.

8 SEC. 3. The first sentence of section 1823 (a) of title
9 28, United States Code, is amended by striking the portion
10 “and if travel is made by privately owned automobile mile-
11 age at a rate not to exceed 7 cents per mile, together with
12 a per diem allowance not to exceed \$9 in lieu of subsistence”
13 and inserting in lieu thereof “or, if travel is made by privately
14 owned automobile, at a rate not to exceed that prescribed in
15 section 4 of the Travel Expense Act of 1949, together with
16 a per diem allowance in lieu of subsistence not to exceed the
17 rates of per diem as described in, or established pursuant to,
18 section 3 thereof”.

84TH CONGRESS
1ST SESSION

H. R. 6295

[Report No. 604]

A BILL

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

By Mr. FASCELL

MAY 17, 1955

Referred to the Committee on Government Operations

MAY 19, 1955

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

June 20, 1955

House

16. SELECTIVE SERVICE. House conferees were appointed on H. R. 3005, to extend selective service for 4 years until July 1, 1959 (pp. 7436-7). Senate conferees were appointed June 16.
17. REORGANIZATION. Both Houses received the report of the "Hoover Commission" on budget and accounting (H. Doc. 192) and the reports of its task forces on food and clothing, lending agencies, transportation, research activities, legal services and procedure, and surplus property (p. 7360).
18. APPROPRIATIONS. Received from the President a draft of a proposed provision making various appropriations for 1956, including CCC and the Office of the Secretary of Agriculture, available to provide for uniform allowances; to Appropriations Committee (H. Doc. 185, Cong. Rec. June 15, 1955, p. 7128).
19. FORESTRY. Passed as reported H. R. 5891, to amend the mining laws to provide for multiple use of the surface of the same tracts of public lands (pp. 7453-9).
Passed with amendment S. 1464, to authorize the Interior Department to acquire rights-of-way and existing connecting roads adjacent to public lands to provide timber access roads to public lands under Interior's jurisdiction (p. 7443).
20. LIVESTOCK LOANS. Passed without amendment H. R. 4915, to extend for an additional 2 years the period for special livestock and assistance to farmers and stockmen (p. 7443).
21. TRAVEL EXPENSE. Passed, 320 to 41, as reported, H. R. 6295, which provides as follows: Amends the Travel Expense Act of 1949 by raising the maximum per diem allowance for subsistence and travel expenses for regular Government employees from the present \$9 per day to \$13 per day. Permits heads of departments and agencies to prescribe conditions under which reimbursement may be made for the actual and necessary expenses of a trip in unusual circumstances where the expenses exceed the maximum per diem amount authorized. This could be done before or after the trip depending on the circumstances. Such reimbursement could not, however, exceed the sum of \$25 per day. This could only be done under general regulations promulgated by the Budget Bureau. Amends the Administrative Expenses Act of 1946 by increasing the per diem rate for those who serve the Government without compensation from the present \$10 per day to \$15 per day and also includes an actual expense proviso not to exceed \$25 per day. (pp. 7464-8.)
22. FARM PRICES. Rep. Christopher discussed "what this administration is costing the American farmer" and alleged decline in the value of the farmer's land, buildings, and livestock (pp. 7467-8).
23. PROPERTY; SUPPLIES. Both Houses received from the Comptroller General a report on the audit of the general supply fund, GSA, for the period from July 1, 1949, through June 30, 1953; to Government Operations Committee (pp. 7360, 7488).
24. CUSTOMS SIMPLIFICATION. The Ways and Means Committee reported with amendment H. R. 6040, to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws (H. Rept. 858) (p. 7488).

25. TRADE AGREEMENTS. The Ways and Means Committee ordered reported H. R. 6059, to authorize the President to enter into an agreement with the Philippines to revise the 1946 trade agreement between the two countries (p. D582).
26. LEGISLATIVE PROGRAM. The "Daily Digest" states the conference reports on the salt-water research and Federal reclamation projects bills will be acted upon today, to be followed by the call of the Private Calendar and consideration of the Trinity River division of the Central Valley project, Calif. (p. D580).

BILLS INTRODUCED

27. WATER CONSERVATION. S. 2276, by Sen. Aiken, to authorize the Secretary of Agriculture to provide for payment by the Federal Government of a portion of the costs of certain works of improvement constructed for purposes of water conservation; to Agriculture and Forestry Committee (p. 7364).
28. FARM WEEK. S. J. Res. 79, by Sen. Ellender (for himself and Sen. Young), designating the last week in October of each year as National Farm-City Week; to Judiciary Committee (p. 7364).
29. SELECTIVE SERVICE. H. R. 6900, by Rep. Vinson, to provide for the strengthening of the Reserve Forces; to Armed Services Committee (p. 7488).
30. PERSONNEL. H. R. 6903, by Rep. Dowdy, to amend the Federal Employees' Group Life Insurance Act of 1954; to Post Office and Civil Service Committee (p. 7488).
31. SUGAR. H. R. 6910, by Rep. Sheehan, to amend and extend the Sugar Act of 1948, as amended; with respect to determination of sugar quotas; to Agriculture Committee (p. 7488).
32. FARM LOANS. H. R. 6914, by Rep. Cooley, to amend the Bankhead-Jones Farm Tenant Act, as amended, to modify, clarify, and provide additional authority for insurance of loans; to Agriculture Committee (p. 7489).
33. FARM PROGRAM. H. R. 6918, by Rep. Gathings, "to amend the Agricultural Adjustment Act of 1938, as amended;" to Agriculture Committee (p. 7489).
34. FOREIGN AID. H. R. 6922, by Rep. Richards, to amend the Mutual Security Act of 1954; to Foreign Affairs Committee (p. 7489).
35. BUDGETING. H. J. Res. 346, by Rep. Cannon, to supplement control of the budget; to Government Operations Committee (p. 7489).

ITEMS IN APPENDIX

36. FARM PRODUCTION. Rep. Dolliver inserted an article from a farm journal stating that Iowa leads the top 200 counties of the country in farm income (p. A4417).
37. RECLAMATION; ELECTRIFICATION. Rep. Dixon cited the success of the Strawberry project, one of the oldest reclamation projects in the country, as a factor in evaluating the worth of the Colorado River storage project which is now under consideration (pp. A4418-9).
- Sen. Magnuson inserted a Christian Science Monitor article describing the proposed Mica Creek storage dam project, to be financed by public and private power utilities in the Puget Sound area (p. A4439).

this body, encouraging the economic unification and political federation of Western Europe. Now when the countries there are moving in the direction we ourselves have urged and their elected parliamentary representatives invite us to sit down with them and discuss problems common to all of us in our desire to build security and peace, it is suggested here that we should not do it. Surely no harm and much benefit to both sides can come from such a free and friendly exchange of views. We would not be able, nor would they, to commit our respective governments to any given course of action. But the thing that we are most interested in is the peace and security of the world. Surely the best way and surest way to achieve that is through developing the greatest degree of mutual understanding.

It is said that our past contributions in money prove our interest. Certainly they do; but there is a good deal more to gaining confidence and good will and understanding than money. The gift without the giver does not generally bear the desired fruit.

Unless some indication and evidence of the views, the spirit, and the attitudes of those who provide the gifts go along with them, our money and arms will fail to produce all the good that we hope for from them. I cannot see one good reason for not adopting this resolution and sending representatives to this conference of the parliaments of the NATO countries. I am not a candidate for the delegation. I am urging this because of the very profitable experience I had at the previous conference of this same general sort and the mutual benefit I felt it had for all concerned.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I am not a candidate either, let that be understood, but it took them 5 years to bring about this NATO organization. What I am interested in is whether or not those who do represent this great country of ours are going to express to these people the American viewpoint; that is, that we have spent billions of dollars of the American taxpayers' money—they are the ones who are making a great sacrifice—and the question whether these countries are going to give us the cooperation that we expected of them when the NATO organization was established, or are they going to continue their dilatory tactics as they have during the past 5 years.

Mr. JUDD. I am unable to accept the implication of what the gentleman has said without replying. If we will look back to conditions as they were when we started this whole aid program in 1947, I think the results are not poor; they are better than any of us had a right or reason to expect. First, the countries individually have recovered remarkably well. Second, they are now making great progress in attacking their problems collectively so that there is steadily increasing strength in the whole of Western Europe. Germany is back on the team as a full partner.

The proof of that strength is the recent shift in tactics by the Kremlin. It has changed from threats and bluster to sweetness and light. Actually this new pose may be more dangerous, because more deceptive than the former one, but surely it is the direct result of the unity and strength NATO is finally developing.

We are right on the threshold of a great forward step that can come if we continue steadfastly on the course of cooperative effort we have been following. The invitation from these countries to closer contacts and consultations at the legislative level is merely another step, a further forward step, in building better understanding. I hope very much that the House will adopt this resolution.

Mr. RICHARDS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I just want to make two short statements before we vote on the pending resolution.

A few weeks ago General Gruenther came before our committee. He is the Supreme Commander of the Allied Forces in Europe. He was asked at that time whether he thought the appointment of this delegation to the NATO Parliamentary Conference would be helpful. He expressed his belief that it would be exceedingly helpful to our military people over there and said he could be quoted to that effect.

The only other reference I want to make to the remarks of the gentleman just a minute ago is in reply to what he said about our spending all of these hundreds of millions of dollars in Europe. That statement is true. For our mutual defense, the Congress has gone down into the pockets of the taxpayers of the United States. It has taken money to the extent of hundreds of millions of dollars, even billions, for Europe, most of it in support of the North Atlantic Treaty Alliance countries.

Now, the representatives of the parliamentary bodies of those countries have asked us to join with them and to send a delegation over there to confer, and to discuss common problems in the interests of the maintenance of peace and security in the North Atlantic area. We would not want them to think that we are so disinterested in the use of the money we have spent over there on the alliance that we have with them that we will not send a delegation over there to confer with them.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Iowa.

Mr. GROSS. The question I would like to ask the gentleman is, When were hearings held on this bill? I tried to get a copy of the hearings. The gentleman is now quoting General Gruenther as being for this proposition.

Mr. RICHARDS. Hearings were held, and the gentleman was given everything we had on it. The report of the committee was unanimous. No one was denied the opportunity to appear and testify.

Mr. GROSS. Does the gentleman say that hearings were held?

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. RICHARDS. Mr. Speaker, I yield myself 2 additional minutes.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. Is it not true that General Gruenther was asked to a hearing on another bill? He commented, as the gentleman has said, on another bill, but General Gruenther did not appear at hearings on this particular resolution.

Mr. RICHARDS. That is correct. Not on this particular resolution.

Mr. VORYS. Does not the gentleman feel, whether we call it laying it on the line or not, that the informal getting together of some of our brethren from the House and Senate with similar people from other countries will permit some of the thorny angles to be talked out and some of the problems, such as the problems of our taxpayers, to be explained to them in a little better way than we could by firing speeches or telegrams or cables across the Atlantic?

Mr. RICHARDS. I think so.

Mr. VORYS. In that way we can really get together in a more effective way.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I think that is an excellent idea. I do not think they have been properly informed as to the sacrifices that the American people have made in producing the money that makes all of these programs possible. They take it for granted, and then there are many times when we may be in disagreement with the policies that they pursue, but we fail to have a representative tell them that we are not in agreement, we seem to acquiesce, we seem to conciliate, we seem to accept. In view of the fact that we have invested these tremendous billions of dollars, we ought to let them know these things.

[Mr. REES of Kansas addressed the House. His remarks will appear hereafter in the Appendix.]

The SPEAKER. The question is on suspending the rules and passing the resolution.

The question was taken; and the Speaker announced that two-thirds had voted in favor thereof.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 337, nays 31, not voting 66, as follows:

[Roll No. 89]

YEAS—337

Abbitt
Abernethy
Adair
Addonizio

Albert
Alexander
Allen, Calif.
Allen, Ill.

Andresen,
August H.
Andrews
Anfuso

Arends
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Bailey
Baker
Baldwin
Barrett
Bass, Tenn.
Bates
Baumhart
Beamer
Becker
Bennett, Fla.
Bennett, Mich.
Bentley
Betts
Blatnik
Blitch
Boggs
Boland
Bolling
Bolton
Frances P.
Bonner
Bowler
Boyle
Bray
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brown, Ohio
Broyhill
Buchanan
Budge
Burleson
Burnside
Bush
Byrd
Byrne, Pa.
Byrnes, Wis.
Cannon
Carlyle
Carnahan
Cederberg
Celler
Chelf
Chenoweth
Chiperfield
Christopher
Chudoff
Church
Clark
Cole
Colmer
Coon
Cooper
Corbett
Coudert
Cramer
Cretella
Crumpacker
Curtis, Mass.
Dague
Davidson
Davis, Ga.
Davis, Wis.
Dawson, Ill.
Dawson, Utah
Deane
Delaney
Denton
Derounian
Devereux
Dixon
Dollinger
Dolliver
Dondero
Donohue
Donovan
Dorn, N. Y.
Dorn, S. C.
Doyle
Edmondson
Elliott
Ellsworth
Engle
Fallon
Fasell
Feighan
Fenton
Fernandez
Fine
Fino
Fisher
Fjare
Flood
Fogarty
Forand
Ford
Fountain
Frazier

Frelinghuysen
Friedel
Fulton
Garmatz
Gary
Gathings
Gavin
George
Gordon
Granahan
Grant
Gray
Green, Oreg.
Gregory
Griffiths
Cwinn
Hagen
Hale
Haley
Halleck
Harden
Hardy
Harris
Harrison, Nebr.
Harrison, Va.
Harvey
Hays, Ark.
Hays, Ohio
Hayworth
Henderson
Hill
Hillings
Hoffman, Ill.
Hollfield
Holmes
Holt
Holtzman
Hope
Horan
Huddleston
Hull
Hyde
Ikard
Jarman
Jenkins
Jennings
Jenson
Johnson, Calif.
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Judd
Karsten
Kean
Keating
Kee
Kelley, Pa.
Keogh
Kilburn
Kilday
Kilgore
King, Calif.
Kling, Pa.
Kirwan
Klein
Kluczynski
Knox
Laird
Landrum
Lane
Lanham
Lankford
Latham
LeCompte
Lesinski
Lipscomb
Long
Lovre
McCarthy
McConnell
McCormack
McCulloch
McDonough
McDowell
McIntire
McMillan
Macdonald
Machrowicz
Mack, Ill.
Mack, Wash.
Madden
Magnuson
Mahon
Marshall
Martin
Matthews
Merrow
Metcalf
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Mills
Minshall
Morano

Morgan
Moss
Moulder
Multer
Murray, Ill.
Murray, Tenn.
Natcher
Nelson
Norblad
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Osmer
Ostertag
Passman
Patman
Patterson
Pelly
Perkins
Pfost
Philbin
Phillips
Pilcher
Pillion
Poage
Poff
Powell
Preston
Price
Priest
Qulgey
Rabaut
Radwan
Rains
Ray
Reed, Ill.
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Richards
Riehlman
Riley
Rivers
Roberts
Robeson, Va.
Robison, Ky.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Rooney
Rutherford
St. George
Saylor
Schenck
Scherer
Schwengel
Scott
Scrivner
Seely-Brown
Selden
Sheehan
Sheppard
Short
Shuford
Sieminski
Simpson, Ill.
Simpson, Pa.
Slisk
Smith, Miss.
Spence
Springer
Staggers
Steed
Sullivan
Taber
Talle
Taylor
Teague, Calif.
Thomas
Thompson, La.
Thompson, Mich.
Thompson, N. J.
Thompson, Tex.
Thomson, Wyo.
Thornberry
Trimble
Tuck
Tumulty
Udall
Vanik
Van Zandt
Vinson
Vorys
Walter
Watts
Weaver
Westland
Whitten
Wickersham

Widnall
Wigglesworth
Williams, N. J.
Willis
Wilson, Calif.

Wilson, Ind.
Winstead
Wolverton
Wright
Yates

Young
Zablocki
Zelenko

NAYS—31

Andersen, H. Carl
Berry
Bosch
Bow
Burdick
Clevenger
Cunningham
Dies
Dowdy
Flynt

Forrester
Gentry
Gross
Hoeven
Hoffman, Mich.
Johansen
Jones, N. C.
Krueger
Mason
Nicholson
O'Hara, Minn.

O'Konski
Sikes
Siler
Smith, Kans.
Smith, Wis.
Utt
Van Pelt
Williams, Miss.
Williams, N. Y.
Withrow

NOT VOTING—66

Alger
Barden
Bass, N. H.
Belcher
Bell
Bolton, Oliver P.
Boykin
Brownson
Buckley
Canfield
Carrigg
Chase
Chatham
Cooley
Curtis, Mo.
Davis, Tenn.
Dempsey
Diggs
Dingeli
Dodd
Durham
Eberharter

Evins
Gamble
Green, Pa.
Gubser
Hand
Hébert
Herlong
Heslton
Hess
Hiestand
Hinshaw
Hosmer
Jackson
James
Kearney
Kearns
Kelly, N. Y.
Knutson
McGregor
McVey
Mailliard
Meader
Miller, Calif.

Mollohan
Morrison
Mumma
Polk
Prouty
Reece, Tenn.
Reed, N. Y.
Roosevelt
Sadlak
Scudder
Shelley
Smith, Va.
Teague, Tex.
Tollefson
Velde
Vursell
Wainwright
Wharton
Wier
Wolcott
Younger

So, two-thirds having voted in favor thereof, the motion to suspend the rules and pass the House joint resolution was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Hébert with Mr. Sadiak.
Mr. Roosevelt with Mr. Kearns.
Mr. Evins with Mr. Wharton.
Mr. Eberharter with Mr. Hand.
Mr. Dodd with Mr. Scudder.
Mr. Dingell with Mr. Bass of New Hampshire.
Mr. Miller of California with Mr. Belcher.
Mr. Dempsey with Mr. Gubser.
Mrs. Kelly of New York with Mr. Gamble.
Mr. Buckley with Mr. Canfield.
Mr. Morrison with Mr. McGregor.
Mr. Polk with Mr. McVey.
Mrs. Knutson with Mr. Prouty.
Mr. Chatham with Mr. Reece of Tennessee.
Mr. Cooley with Mr. Tollefson.
Mr. Green of Pennsylvania with Mr. James.
Mr. Sheiley with Mr. Hosmer.
Mr. Smith of Virginia with Mr. Carrigg.
Mr. Mollohan with Mr. Brownson.
Mr. Teague of Texas with Mr. Hess.
Mr. Boykin with Mr. Heslton.
Mr. Barden with Mr. Jackson.
Mr. Bell with Mr. Wainwright.
Mr. Davis of Tennessee with Mr. Wolcott.
Mr. Diggs with Mr. Younger.
Mr. Wier with Mr. Mailliard.

Mr. BOW changed his vote from "nay" to "yea."

Mr. GEORGE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

By unanimous consent, House Resolution 275 was laid on the table.

CONFERENCE REPORTS TO BE CONSIDERED TOMORROW

(Mr. McCORMACK asked and was given permission to address the House for 1 minute.)

Mr. McCORMACK. Mr. Speaker, after the call of bills on the Private Calendar tomorrow and before the consideration of the bill H. R. 4663, two conference reports will be considered, one on H. R. 103 relating to reclamation projects and the other on H. R. 2126, with reference to the utilization of saline waters, and so forth. It is my understanding that these conference reports are unanimous. They will be considered tomorrow.

AMENDING TRAVEL EXPENSE ACT OF 1949

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, as amended by the committee.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the Travel Expense Act of 1949 (63 Stat. 166, as amended; 5 U. S. C. 836) is further amended by striking "\$9" and inserting in lieu thereof "\$13"; and by striking the period at the end thereof and adding the following additional proviso: " : And provided further, That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed \$25 for each day in travel status."

SEC. 2. Section 5 of the Administrative Expenses Act of 1946 (60 Stat. 808; 5 U. S. C. 73b-2) is amended by striking "\$10 per diem" and inserting in lieu thereof "\$15 per diem within the limits of the continental United States and beyond such limits, not to exceed the rates of per diem established by the Director of the Bureau of the Budget pursuant to section 3 of the Travel Expense Act of 1949, as amended (5 U. S. C. 836)"; and by striking the period at the end thereof and adding the following additional proviso: " : And provided further, That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949 as amended (5 U. S. C. 840) prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed \$25 for each day in travel status."

SEC. 3. The first sentence of section 1823 (a) of title 28, United States Code, is amended by striking the portion "and if travel is made by privately owned automobile mileage at a rate not to exceed 7 cents per mile, together with a per diem allowance not to exceed \$9 in lieu of subsistence" and inserting in lieu thereof "or, if travel is made by privately owned auto-

mobile, at a rate not to exceed that prescribed in section 4 of the Travel Expense Act of 1949, together with a per diem allowance in lieu of subsistence not to exceed the rates of per diem as described in, or established pursuant to, section 3 thereof."

The SPEAKER. Is a second demanded?

Mr. HOFFMAN of Michigan. Mr. Speaker, I demand a second.

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. HOFFMAN] for 20 minutes.

Mr. FASCELL. Mr. Speaker, I yield myself 10 minutes.

The SPEAKER. The gentleman from Florida is recognized.

Mr. FASCELL. Mr. Speaker, this bill deals with increasing the per diem allowance for subsistence and travel expenses of all regular Government employees; and those who might be in the service of the Government without compensation in a consultative capacity.

The bill deals specifically with the Travel Expense Act of 1949 and the Administrative Expenses Act of 1946. It raises the per diem allowance from \$9 to \$13 for the regular Government employees.

A new provision has been added which takes care of special cases where expenses might be considerably higher and it provides that in those cases under regulations promulgated by the head of the department and the Bureau of the Budget an actual cost basis of not to exceed \$25 per day may be used.

For those persons who are not compensated by the Government, this act raises their per diem from \$10 per day to \$15 per day, and also carries a new provision providing for an actual cost basis to take care of special cases, not to exceed \$25 per day.

The third section of the bill deals with a provision of the law which is now in a separate act. It has to do with travel expenses for civilian employees who are necessary as witnesses for the United States Government and puts their per diem at the same rate; that is, increases it from \$9 to \$13 a day. The committee considered but did not touch and this legislation does not affect the mileage allowance for the use of vehicles.

This report came out of the subcommittee unanimously and was reported by the full Committee on Government Operations unanimously except for reservations made by the gentleman from Michigan [Mr. HOFFMAN].

This was requested and has been recommended by the Bureau of the Budget and all of the departments of Government that have occasion to use the per diem. It is recommended also by all of the employee groups.

We had before us several bills. One was a bill introduced by the chairman of the Committee on Government Operations, the gentleman from Illinois [Mr. DAWSON], another was a bill intro-

duced by the gentleman from Pennsylvania [Mr. CHUDOFF], and another bill by the gentleman from Wisconsin [Mr. WITHROW]. This bill represents a combination of all those bills which provided anywhere from \$12 to \$15 per diem. Those bills, or at least some of them, also dealt with an increase in the mileage allowance.

The testimony is clear that the increase in the cost of travel is sufficient to warrant the \$13 recommended by the committee. There is no great objection to the measure. It is necessary in view of the increase in subsistence from 1949 to the present date. Therefore I urge that the rules be suspended and the bill be passed.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from California.

Mr. McDONOUGH. I have had some complaints by employees in the thickly populated areas where the parking facilities are very costly. Is there any provision for a Government employee to include in his expense account parking facilities?

Mr. FASCELL. The increase provided for incidental expenses and it was taken into consideration in the allowance of this maximum of \$13 a day. There is also the further provision, this new proviso which has been added, that takes care of those exceptional cases for which allowances can be made under regulations of the department heads and the Bureau of the Budget. That would take care of that matter.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Illinois.

Mrs. CHURCH. I wonder, sir, if you can estimate how much of the expense comes under the allowance up to the \$25 per diem? Has the gentleman any record of past expenditures to show what proportion that would be of the total amount of Government expenses?

Mr. FASCELL. I do not have any record and I do not know that any was given to us. In each case the \$13 is a maximum amount and in each case the \$25 would be a maximum amount. The departments do operate on the actual cost basis. We had testimony before the committee that in a great many cases, in fact the majority of the cases, the actual expenditures would be above the \$9 provided in the present law.

Mrs. CHURCH. Would the actual expenses therein computed cover any expenditures except for board and lodging? What would be the other items included?

Mr. FASCELL. It would cover incidental expenses such as tips and fees, laundry, dry cleaning and so forth.

Mrs. CHURCH. And traveling with-in the place visited?

Mr. FASCELL. Yes.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Virginia.

Mr. GARY. Our subcommittee of the Appropriations Committee on the Treasury heard testimony on several occasions that the Secret Service officers who are

under the Treasury, when traveling with the President to protect the President have to stop at the same hotels the President stops at, which usually or frequently are expensive hotels; and that in the past they have been forced to pay the high hotel rates out of their own pockets because the allowance was not sufficient to take care of them. Would the \$25 limit be applied in that case and could they be compensated for their actual expenses up to \$25?

Mr. FASCELL. The gentleman is correct, and the answer is in the affirmative.

Mr. GARY. Is that the purpose of the bill?

Mr. FASCELL. That is the purpose of the new proviso.

Mr. GARY. Of the new proviso. That is what I mean.

Mr. FASCELL. Yes. In fact, our committee also heard testimony on the same point, and that is the main reason why this proviso was included in the bill, to correct that inequitable situation.

Mr. GARY. I want to commend the committee for placing that proviso in the bill, because I think it is a very necessary proviso. I think it is not proper for the Government to require these men in the discharge of their duties to live at hotels of that kind and not pay their full expenses.

Mr. FASCELL. I thank the gentleman for his statement in corroboration of this committee's report.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, I apologize to the Speaker and the Members of the House for any confused ideas I might put forth, because the thought I had in mind I lost while yielding to unanimous consent requests—so those making them might get away. However, I do want to compliment my colleague on the committee for the very clear and factual statement which he made. He gave you an accurate idea of what this bill proposes to do. He stated that all of the representatives of the departments who came up to the hearing were in favor this bill. Was there anything strange about that? Why should they not be? He said that all of the representatives of all of the organizations representing Federal employees were in favor of the bill. No reason why they should not be. And, I assume that all of the employees who would benefit are in favor of the bill. I do not know of any who are against it. I did not hear of any. But, in the hearings that were held I did not hear one single word from anyone, unless it was your humble servant, who spoke in the interest of the taxpayer.

Now, if the gentleman could tell me or the House what the estimated cost of this raise will be, I will be very glad to hear it. I heard no testimony as to the number of employees overall who would receive this increase. I heard no testimony that was accurate as to the total of the dollars required to meet the cost if the bill goes through. So, here we are. And in looking at the noon paper a mo-

ment ago in an idle moment I noticed the statement that the amount which would be added to the national debt because of the deficit we are incurring would be \$10 billion. Think of that now before you vote to appropriate more money to further increase that debt.

One other thing. The Federal employees who will receive this added benefit knew what the job was when they took it. They knew what each job paid. They expected there would be certain expenses along the line.

The gentleman referred to the hotels where those who guard the President are required to stay and to pay a comparatively high rate. Is there any reason why that amount should not be allowed to the President as a part of the necessary expenses of the Executive? The President's expenses are taken care of in an appropriation and these men's expenses can well be paid from that fund. I know of no way of giving it to them directly, but we provide our Intelligence Service with certain sums for which they do not need to account. That has been the practice for years. All of us realize the necessity for that. In such a case we are bound to trust those who have authority to approve such expenditures as are proper. There is no objection to that.

But here we have a bill which increases, for no one knows how many employees, the daily expense allowance by \$4—from \$9 to \$13. Some may not be familiar with this practice. A Federal employee lives in Baltimore. He or she comes to Washington for the day's work. He charges up \$13, or will if this bill passes. At present he or she charges up \$9 which is paid by the Government. Perhaps some other employee lives in Washington or lives somewhere else in Maryland and he goes to some other city, such as Baltimore, someplace away from home. They will be able to charge up an additional \$13 a day if this bill passes. The passage of this bill is an invitation not to live where you are working. It is an invitation to Federal employees to travel to work away from home. That is what it is.

When this bill was up it just chanced that an employer from my district who operates a factory was here seeking Government business. He is in charge of the sales agency of his organization and it is not a very small one. It is not as large as General Motors, nowhere near that, but it is a fairly decent-sized business. He was looking for me, so he was sent up to the committee, where I was and he listened to some of the testimony. When we walked out at the time of the recess, he shook his head and said, "Say, Clare, are they going to allow that? That would break us. Our sales force does not have an expense allowance like that." There you have it. Oh, I know how easy it is to build up a story. But let me tell you a little of my experiences—not about my operation, because I never had one, but about my experience on a trip for the Government. I went to Detroit on a hearing with one of our subcommittees. Do you know what happened? I got a room in the best hotel in Detroit, so reported to me, for

\$6.50. Then what happened? Someone—I will not state his political faith or whether he was or was not a member of the committee—someone said to me: "You cannot do that. Some of the members of our committee have rooms at \$12 and \$12.50. You have got to put in a bill that will compare with the rest of them."

It was not such a bad room. I have slept in worse places, in respectable homes and elsewhere. It was a small room, with a shower, a single bed—surely. Was not it all right? This was on Government business. I am not much for style nor for "putting on the dog" as some put it. It was the kind of a room I would use if I had been traveling on my own. Do you know what happened? Everybody on that committee was supposed to get a \$12 room. Just to sleep in.

I do not think that is the way to do business for Uncle Sam. I do not believe these Federal employees are in such hard straits. If they were, they would not accept their jobs. It is like this postal-pay bill. I voted for the increase. It seems to be an administration measure. A vote for the bill was a vote to prevent a greater increase in conference. I wanted to go along with the President if I could. I thought it was fair. So I voted for it. But do you know, in my district, every time there is a vacancy in a postal job, I have 4 or 5 applicants for the job. If I understand the situation correctly, people are waiting to get on the Federal payroll. That does not indicate to me that the jobs are no good, undesirable.

So why, when the Government is going into debt on the farm program at the rate of a million dollars a day—and there was another item that I read of another million-dollar-a-day deficit; I have forgotten what it is—and we are told in the papers that the national debt at the end of this year will jump \$10 billion with an interest charge of—how much? Some of you mathematicians can figure it out quicker than I can—is there any reason why we should make these jobs pay more? Add another half-billion to the debt each year? It sure means more taxes. I cannot see it. I hope someday we will get around to the goal that the President has set. He was going to balance the budget, and he was going to reduce the national debt. And we were to have lower taxes. That promise of economy is the same promise that Franklin Delano Roosevelt made us in his first campaign, and we have all made it separately. And so far as I can recall—and if I am wrong I hope you will correct me—neither the executive department nor the Congress from that date to this has made any worthwhile effort to fulfill that promise.

And we are off on a wild, uncontrolled spending spree.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from California.

Mr. McDONOUGH. What maximum did you provide in this bill? The Bureau of the Budget is authorized to pay only actual expenses spent for the day and not the maximum, so that, after all,

if the Bureau of the Budget is going to check these accounts for the actual amount spent, they are not going to get the maximum.

Mr. HOFFMAN of Michigan. Does the gentleman know where the Bureau of the Budget ever cut down a bill? Did the gentleman hear what the gentleman in charge of the bill said it was to include? I understood him to say laundry and dry cleaning, which is something that our own Disbursing Officer will not O. K. when we stick in a bill for expenses.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Illinois.

Mr. MASON. Of course, it is an invitation to stay at the \$12 hotels or the \$15 hotels because the maximum has been raised.

Mr. HOFFMAN of Michigan. There was one investigator that our own committee had. I said, "Look, George," and he was the son of a millionaire, too, but he told me, "I have got to get a job. I have only \$33,000 left in the bank." Of course, if I had had \$33,000 I would have retired, but he did not want to; he stayed on. He came in with a bill for me to O. K. He had \$5—I almost fainted—\$5 for breakfast. I said "George, for heaven's sake, what did you have?" He said, "It wasn't what I had, it was where I had it. I had it brought up to my room in the Blackstone Hotel in Chicago." "Why did you have breakfast in bed?" I said. He said, "I didn't feel like going down." I said, "You are through with this committee." And he is a nice fellow. It was just natural, you know, for him to have breakfast in bed, but some of the taxpayers who helped pay for the breakfast in bed were up long before breakfast trying to get their share of the tax dollars to the tax collector. There is no justice in forcing some workers to get up before daylight so some Federal employee can have breakfast in bed.

Mr. BUDGE. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Idaho.

Mr. BUDGE. Can the gentleman tell us the total average annual cost of Federal transportation for Federal employees?

Mr. HOFFMAN of Michigan. The gentleman was not listening when I started, because I asked the gentleman in charge of the bill, and I guess I am right about it, and he can correct me if I am not, for the total cost, and the answer was to the effect that there was no evidence before the committee as to, for example, the number of miles, the days traveled, the number of employees, so it is an impossibility to tell how many billions this measure will cost if it goes through. I will venture it does not cost the school children, the representatives of the 4-H, or the lobbyists who come down here for the CIO, the A. F. of L., or the farmers—I venture to say it does not cost them \$13 a day for subsistence.

Mr. BUDGE. Mr. Speaker, will the gentleman yield further?

Mr. HOFFMAN of Michigan. How much time does the gentleman want? I want to yield some time to someone who wants to talk on the bill. We have plenty of time today even though we did not last Thursday.

Mr. BUDGE. I just want time enough to remark that I favor the gentleman's position on this legislation. Every appropriation I have seen, in the justifications for travel the expense item is a terrific amount of money. I rather think that perhaps raising the per diem will be an incentive for more travel. For that reason, I do not think you can even begin to compute what the total cost is to the Federal Government.

Mr. HOFFMAN of Michigan. I am sure we cannot. These expense bills are like snowballs going down hill. If anybody else wants to be yielded time, I will be glad to do it. There is no discussion under the 5-minute rule under this procedure.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Connecticut.

Mr. MORANO. The Bureau of Budget estimated that the additional cost to the Government due to the increase in the per diem from \$9 to \$13 would not exceed \$30 million.

Mr. HOFFMAN of Michigan. Yes, but they did not have any estimate or any accurate information as to the number of people who are traveling, and they could not have, so they could not tell us how much the bill will come to—they give what they call an estimate. It is just one of those "Give us some more" things, that is all. No one knows or could even approximate accurately the cost. So if you want to go for it, that is your business, not mine.

I would like to do, as well as say, something that will help convince the people that a campaign promise is something more than campaign oratory.

Mr. FASCELL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, ever since I have been connected with the legislative process, I have always heard the hue and cry "Let's kill the legislation because of the abuses that might be possible." Well, I am going to be different from my very able and witty colleague, the gentleman from Michigan, and I am going to assume that people are honest until they are proven guilty. There is no denying it, and the evidence is complete in the report of the hearings, if you want to take the time to examine it, that inequities exist when you require Government employees to travel pursuant to their job and when you require civilians who are needed by the Government of the United States to testify at trials and when you require these special agents to go out on missions where they have to spend over and above the amount of money that is authorized; and where you call in highly specialized people to serve without compensation and you pay them their per diem. As far as the total cost of travel is concerned, of course, it cannot be computed on the basis per person because each person travels to a different place and expenses are at a different rate and therefore cost per person varies.

You, therefore, have to take the total cost and average it out. And that is the reason the Bureau of the Budget estimated the total cost of this bill would not exceed \$30 million. The total cost of travel including subsistence is \$174 million, 50 percent of which is actually travel costs, and 50 percent is the cost of subsistence.

One other point, my able colleague, the gentleman from Michigan, is crying about the budget. I think his position is somewhat inconsistent as he himself points out, because he voted for the postal pay raise bill. He also voted for the bill, S. 67, just a moment ago, which appropriates \$326 million, and now he says, "Oh, that is fine but this bill under consideration is going to make it impossible to balance the budget so, therefore, I am against it." He says this despite the fact that the Government requires employees to travel in the course of their employment and that the evidence before the committee was clear and substantial that the present rate of \$9 is inadequate and inequitable. I submit that my distinguished colleague, whose remarks as so pointed and witty is attempting to reprimand the entire Congress at the expense of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HOFFMAN of Michigan. Mr. Speaker, if nobody else wants to use the time, I will. Permit me to say to the speaker that we have recovered from our hurry of last Thursday when we were forced to get through with the bill so that we could have Friday, Saturday, and Sunday off. For the benefit of the Thursday to Tuesday club permit me to add I think it would be well to stay here and spend a little more time on this and other bills, then adjourn not later than July 4. I just do not appreciate the statement of my colleague on the committee that I do not have any confidence in human nature. I have lived longer than my colleague and I may be twice, or perhaps three times, as old as he is and the longer I live, the more honest people I find. The percentage of those who are honest and decent and loyal and patriotic, I find is going up all the time, but always—you know when the Lord was crucified there was one fellow there who just would not repent—do you remember that—well, now, there are still a few, and it is only human nature to try to get what you can, and these Government jobs are desirable, especially so under present conditions. It appears to me that once having secured a Federal job, you cannot be discharged for any reason—you just cannot be discharged.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mrs. CHURCH. I want to tell the gentleman first that I always appreciate his respect for the financial solvency of this country, and I am asking my question sincerely. Would the gentleman tell us in setting up his budget on the basis of \$6.50 a night, how he would spend the remaining \$2.50 of the presently allowed \$9 per diem? Does that cover three meals and incidental expenses?

Mr. HOFFMAN of Michigan. Well, I just do not recall what I had for breakfast, but I will say to the gentlewoman that ordinarily it is one soft-boiled egg and a slice of toast. At noon, ordinarily, it is two doughnuts and a cup of coffee. In the evening, being on a diet, and not because of my figure or anything of that nature, but because I may have too much sugar in my blood, it is again two eggs and a slice of toast—and I seem to be as healthy as the average Member of the House. That is the way that is. Now everyone to his taste. Had I been born an aristocrat like my colleague with blue blood and all, I might not be able to get along on \$6 or \$9 a day, but I manage to get along. I hope St. Peter will forgive me for my sins and take me in where I will be permitted to enjoy the society of my betters.

All I am trying to do is to protect the aching back of some of the folks who just do not have very much and have to work very, very hard to meet the taxes we impose on them.

For example, down at the filling station, where I went night before last. He was a fine young man—a colored fellow—he had only six children and a wife. He said:

Do you know, Mr. HOFFMAN, I am having trouble getting enough to eat for my family?

He said:

They have not had a steak in I don't know how long. We get along on stews and soup bones.

He has to pay taxes too. I think he would like a Government job with \$13 a day to spend for meals for himself. Then, of course, he would have relief for the family, and perhaps social security.

I apologize for opposing this bill. I do that because of the views of my distinguished colleague from Illinois.

Mr. MASON. Let us have a rollcall.

Mr. HOFFMAN of Michigan. Yes. The gentleman says we should vote, and I think we should.

Mr. FASCELL. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CHRISTOPHER].

(Mr. CHRISTOPHER asked and was given permission to revise and extend his remarks.)

Mr. CHRISTOPHER. Mr. Speaker, I enjoy listening to the gentleman from Michigan [Mr. HOFFMAN]. His talks are always very instructive, humorous, and to the point, but you know he is finally learning one thing, and he is not alone in accumulating that knowledge. The Republican Party is finding out that it takes money to run the Federal Government; that it is difficult to balance the budget, and that it is hard to reduce taxes.

Several gentlemen from his side of the aisle, when we had a Democratic administration, used to say that we Democrats just ran the Government into debt; spent money hand over fist, just because we wanted to.

But the present administration is learning that it takes a lot of money to run the Federal Government. And why should it not? It is the greatest business in the world. I am not finding fault with the Republican Party because they have spent a lot of money running this

Government. I knew they would have to do it when they were elected. It was no surprise to me. We Democrats are willing for them to have it. So that if they do not do a good job they cannot say it is because the Democrats did not let them have enough money to do a good job. We shall go along.

Now, the gentleman from Michigan [Mr. HOFFMAN] referred to what the American farmer was costing the Federal Government. I would like to refer for a moment to what this administration is costing the American farmer. The latest figures of the Department of Agriculture are to the effect that the farmer's land and buildings are worth \$2 billion less than they were 3 years ago. The value of his cattle is \$4 billion less than it was 3 years ago. That means \$6 billion. His hogs are worth \$2 billion less than they were 3 years ago. That makes \$8 billion. His poultry and his grain and his cotton and his dairy products are worth another \$2 billion less than they were 3 years ago.

So, while the American farmer is costing the Federal Government a little money for storage of farm commodities that we will need if we ever get into war, and that the world needs now this present administration is costing the American farmer—has already cost him since the beginning of this administration—\$10 billion; and I want to tell you I think they come pretty high. This administration is not worth it to me. If marketing quotas on wheat are voted down, and the Secretary of Agriculture is doing nothing to support the program, we will see wheat selling for less than \$1 per bushel in 1956. But Mr. Benson says agriculture is leveling off; that we farmers should cheer up; farm prices will only sink another 5 to 10 percent again next year, and it is his intention to reduce the support level even lower.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The question is on the motion of the gentleman from Florida that the rules be suspended and that the bill be passed.

The question was taken and the Speaker announced that in the opinion of the Chair two-thirds had voted in the affirmative.

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present and object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 320, nays 41, not voting 73, as follows:

[Roll No. 90]

YEAS—320

Abbitt	Andrews	Baker
Abernethy	Anfuso	Baldwin
Adair	Arends	Bass, Tenn.
Addonizio	Ashley	Bates
Albert	Ashmore	Baumhart
Allen, Calif.	Aspinall	Beamer
Allen, Ill.	Auchincloss	Becker
Andersen,	Avery	Bennett, Fla.
H. Carl	Ayres	Bennett, Mich.

Bentley	Griffiths	Patman
Betts	Gwinn	Patterson
Blatnik	Hagen	Pelly
Blitch	Hale	Perkins
Boggs	Haley	Pfost
Boland	Halleck	Philbin
Bolling	Harden	Phillips
Bolton,	Hardy	Pilcher
Frances P.	Harris	Pillion
Bonner	Harrison, Nebr.	Poage
Bosch	Harrison, Va.	Powell
Bowler	Harvey	Preston
Boykin	Hays, Ark.	Price
Boyle	Hays, Ohio	Priest
Bray	Henderson	Quigley
Brooks, La.	Hill	Rabaut
Brooks, Tex.	Hillings	Radwan
Brown, Ga.	Hoeven	Rains
Brown, Ohio	Holifield	Ray
Buchanan	Holmes	Reed, Ill.
Burdick	Holt	Rees, Kans.
Burleson	Holtzman	Reuss
Burnside	Hope	Rhodes, Pa.
Byrd	Horan	Richards
Byrne, Pa.	Huddleston	Riehlman
Byrnes, Wis.	Hull	Riley
Cannon	Hyde	Rivers
Carlyle	Ikard	Roberts
Carnahan	Jarman	Robeson, Va.
Cederberg	Jenkins	Robison, Ky.
Celler	Jennings	Rodino
Chase	Johnson, Calif.	Rogers, Colo.
Chelf	Johnson, Wis.	Rogers, Fla.
Chenoweth	Jonas	Rogers, Mass.
Chiperfield	Jones, Ala.	Rogers, Tex.
Christopher	Jones, Mo.	Rooney
Chudoff	Judd	Rutherford
Church	Karsten	St. George
Clark	Kean	Saylor
Cole	Keating	Schenck
Cooper	Kee	Scherer
Corbett	Kelley, Pa.	Schwengel
Coudert	Keogh	Scott
Cramer	Kilday	Seely-Brown
Crumpacker	Kilgore	Selden
Cunningham	King, Calif.	Sheehan
Curtis, Mass.	Kirwan	Sheppard
Dague	Klein	Short
Davidson	Kluczynski	Shuford
Davis, Ga.	Knutson	Sieminski
Davis, Wis.	Laird	Sikes
Dawson, Utah	Landrum	Simpson, Ill.
Deane	Lane	Simpson, Pa.
Delaney	Lanham	Sisk
Denton	Lankford	Smith, Miss.
Derounian	Latham	Spence
Devereux	Lesinski	Springer
Dies	Lipcomb	Staggers
Dixon	Long	Steed
Dollinger	Lovre	Sullivan
Dolliver	McCarthy	Talle
Dondero	McConnell	Teague, Calif.
Donohue	McCormack	Teague, Tex.
Donovan	McDonough	Thomas
Dorn, N. Y.	McIntire	Thompson, La.
Dowdy	McMillan	Thompson, Mich.
Doyle	Macdonald	Thompson, N. J.
Edmondson	Machrowicz	Thompson, Tex.
Elliott	Mack, Ill.	Thomson, Wyo.
Ellsworth	Mack, Wash.	Thornberry
Engle	Madden	Trimble
Evins	Magnuson	Tuck
Fascell	Mahon	Tumulty
Feighan	Martin	Utt
Fenton	Matthews	Vanik
Fernandez	Morrow	Van Pelt
Fine	Metcalf	Van Zandt
Fino	Miller, Md.	Vinson
Fisher	Miller, N. Y.	Vorys
Fjare	Mills	Watts
Flood	Minshall	Westland
Fogarty	Mollohan	Whitten
Forand	Morano	Wickersham
Ford	Morgan	Widnall
Forrester	Moss	Wigglesworth
Fountain	Moulder	Williams, N. J.
Frazier	Multer	Willis
Frelinghuysen	Murray, Ill.	Wilson, Calif.
Friedel	Natcher	Wilson, Ind.
Fulton	Nelson	Winstead
Gary	Nicholson	Withrow
Gathings	Norblad	Wolverton
Gavin	O'Brien, Ill.	Wright
Gordon	O'Brien, N. Y.	Yates
Granahan	O'Hara, Ill.	Young
Grant	O'Hara, Minn.	Zablocki
Gray	O'Neill	Zelenko
Green, Oreg.	Ostertag	
Gregory	Passman	

NAYS—41

Alexander	Budge	Dorn, S. C.
Andersen,	Bush	Flynt
August H.	Clevenger	Gentry
Berry	Colmer	George
Bow	Coon	Gross

Hayworth	LeCompte	Rhodes, Ariz.
Hoffman, Mich.	McCulloch	Scrivner
Jensen	Marshall	Siler
Johansen	Mason	Smith, Kans.
Jones, N. C.	Miller, Nebr.	Taber
Kilburn	Murray, Tenn.	Vursell
King, Pa.	Norrell	Weaver
Knox	O'Konski	Williams, Miss.
Krueger	Poff	Williams, N. Y.

NOT VOTING—73

Alger	Eberharter	Miller, Calif.
Bailey	Fallon	Morrison
Barden	Gamble	Mumma
Barrett	Garmatz	Osmers
Bass, N. H.	Green, Pa.	Polk
Belcher	Gubser	Prouty
Bell	Hand	Reece, Tenn.
Bolton,	Hébert	Reed, N. Y.
Oliver P.	Herlong	Roosevelt
Brownson	Heselton	Sadlak
Broyhill	Hess	Scudder
Buckley	Hiestand	Shelley
Canfield	Hinshaw	Smith, Va.
Carrigg	Hoffman, Ill.	Smith, Wis.
Chatham	Hosmer	Taylor
Cooley	Jackson	Tollefson
Cretella	James	Udall
Curtis, Mo.	Kearney	Velde
Davis, Tenn.	Kearns	Wainwright
Dawson, Ill.	Kelly, N. Y.	Walter
Dempsey	McDowell	Wharton
Diggs	McGregor	Wier
Dingell	McVey	Wolcott
Dodd	Mailliard	Younger
Durham	Meador	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Sadlak.
Mr. Roosevelt with Mr. Wolcott.
Mr. Wier with Mr. Kearns.
Mr. Eberharter with Mr. Hand.
Mr. Dodd with Mr. Scudder.
Mr. Dingell with Mr. Bass of New Hampshire.
Mr. Morrison with Mr. Gamble.
Mr. Miller of California with Mr. Canfield.
Mr. Dempsey with Mr. McGregor.
Mrs. Kelly of New York with Mr. McVey.
Mr. Buckley with Mr. Prouty.
Mr. Polk with Mr. Reece of Tennessee.
Mr. Chatham with Mr. James.
Mr. Cooley with Mr. Hosmers.
Mr. Smith of Virginia with Mr. Hess.
Mr. Davis of Tennessee with Mr. Heselton.
Mr. Udall with Mr. Carrigg.
Mr. Bailey with Mr. Broyhill.
Mr. McDowell with Mr. Mailliard.
Mr. Herlong with Mr. Taylor.
Mr. Green of Pennsylvania with Mr. Wharton.
Mr. Shelley with Mr. Wainwright.
Mr. Walter with Mr. Tollefson.
Mr. Garmatz with Mr. Gubser.
Mr. Dawson of Illinois with Mr. Cretella.
Mr. Diggs with Mr. Hoffman of Illinois.
Mr. Barrett with Mr. Hiestand.
Mr. Barden with Mr. Younger.
Mr. Bell with Mr. Jackson.
Mr. Durham with Mr. Osmers.
Mr. Fallon with Mr. Brownson.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

HOUSING INVESTIGATION

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 204) to provide funds for the expenses of the studies, investigations, and inquiries authorized by House Resolution 203, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

84TH CONGRESS
1ST SESSION

H. R. 6295

IN THE SENATE OF THE UNITED STATES

JUNE 22, 1955

Read twice, considered, amended, read the third time, and passed

[Omit the part struck through and insert the part printed in italic]

AN ACT

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 3 of the Travel Expense Act of 1949 (63 Stat.
4 166, as amended; 5 U. S. C. 836) is further amended by
5 striking “\$9” and inserting in lieu thereof “~~\$13~~” “\$12”; and
6 by striking the period at the end thereof and adding the fol-
7 lowing additional proviso: “: *And provided further, That*
8 where due to the unusual circumstances of a travel assign-
9 ment within the limits of the continental United States such

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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 23, 1955
For actions of June 22, 1955
84th-1st - No. 105

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HIGHLIGHTS: Senate passed bill to increase travel allowances. House received conference report on independent offices appropriation bill. House committee ordered reported foreign aid bill and bill to transfer certain real property in Virgin Islands to USDA. House agreed to conference report on independent offices appropriation bill. Conferees agreed to file conference report on Federal pay bill.

SENATE

1. TRAVEL EXPENSES. Passed with amendments H. R. 6295, to provide an increased maximum per diem and mileage allowance for subsistence and travel expenses. Senate conferees were appointed (pp. 7613-4). The Senate amendments would lower the per diem allowance from \$13 to \$12 per day and increase the motorcycle mileage allowance from 4 cents to 6 cents and the automobile allowance from 7 cents to 10 cents.
2. FLOOD CONTROL. S. 2188, providing that the Federal government shall pay a portion of costs of certain works of improvement constructed for purposes of water conservation, was discharged from the Public Works Committee and re-referred to the Agriculture Committee (p. 7610).
3. FOREIGN TRADE. Received a report of the National Advisory Council on International Monetary and Financial Problems on international financial activities of the United States (H. Doc. 194) (p. 7599).
4. ELECTRIFICATION; RECLAMATION. Sen. Morse inserted various letters and resolutions favoring construction of the John Day Dam project and the Hells Canyon Dam project (pp. 7602-3).

Sen. Morse inserted a speech made by Sen. Neuberger favoring public power projects and criticizing the Administration for its alleged laxness in this respect (p. 7614).

Sen. Morse inserted an Idaho Farm Journal editorial supporting the construction of the Hells Canyon Dam (pp. 7616-7).

Sen. Neuberger discussed his opposition to the recommendations of the Hoover Commission task force reports on public power policies and inserted several newspaper articles in a similar vein (pp. 7617-9).

5. APPROPRIATIONS. The Appropriations Committee reported with amendments H. R. 6239, the D. C. appropriation bill for 1956 (S. Rept. 623) (p. 7603).
6. FOREST MINING. The minority report (Pt. 2 of S. Rept. 554) on S. 1713, providing for multiple use of the surface of the same tracts of public lands, was submitted; and an early consideration of the bill is scheduled (pp. 7603, 7655).
7. SUGAR. The address by Sen. Barrett on the problems of the American sugar producer was ordered printed as a Senate document (S. Doc. 56) (p. 7610).
8. PERSONNEL. Sen. Lehman inserted the full statement of Mr. Perlman before the subcommittee on Government employees' security programs (pp. 7648-55).
9. WILDLIFE. The Interstate and Foreign Commerce Committee ordered favorably reported S. 756, relating to U. S. aid to the States in wildlife restoration projects (p. D595).
10. LEGISLATIVE PROGRAM. Sen. Johnson suggested that the D. C. appropriation bill for 1956 be considered on June 23; and further suggested that, since the Senate itself is current with the calendars, they might recess for a day or two to permit more committee activity (p. 7655).

HOUSE

11. INDEPENDENT OFFICES APPROPRIATION BILL, 1956. Agreed to the conference report on this bill, H. R. 5240 (pp. 7659-60). Concurred in Senate amendment, with an amendment, to prohibit any agency in the executive branch from refusing employment in the Federal Service to a person solely because of his age (p. 7659).
12. GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1956. Received the conference report on this bill, H. R. 6499 (H. Rept. 900) (pp. 7657-8). The conferees restored the House limitations on prices which may be paid for passenger vehicles, except that they eliminated station wagons from the provision. The statement of the House conferees includes the following: "The conferees direct, however, that station wagons are not to be purchased in excess of the number presented in the budget and justified before the Appropriations Committee." The conferees rejected the Senate amendment making the President's management improvement fund available to pay individuals not to exceed \$75 per diem. The provision for a GS-18, under the President's Advisory Committee on Government Organization, was reported in disagreement.
13. LABOR, HEW APPROPRIATION BILL, 1956. Appointed conferees on this bill, H. R. 5046 (p. 7657). Senate conferees were appointed June 6.

They knew Connaught had been making live virus to be killed in the States by commercial manufacturers for the vaccine field trial.

Rather than let the Connaught operation fallow, the Governments decided to give the university laboratory \$500,000 for enough vaccine for 750,000 children to be distributed free. Half the cost would be borne by the Provinces, the rest by the central ministry.

So Connaught (pronounced with the accent on the first syllable) tooled up and made the vaccine according to the formula set down by Dr. Jonas Salk, the developer, and followed the provisional requirements established by the United States Health Service.

With the care characteristic of a university laboratory, Connaught adhered strictly to Dr. Salk's formula. It "cooked" the live virus in formaldehyde an average of 9 days, although in the States commercial manufacturers have been known to "cook" for 15 days.

The United States Health Service contended recently that in the hands of the manufacturers, the vaccine does not follow the Salk mathematical equations. A Connaught scientist told me that generally the process, if carried out with precise measurement and control, did go by the formula. Dr. Nagler, however, showed me graphs in which there were slight departures.

COST IS LOW

Connaught made enough vaccine for 800,000 children at \$1.25 for a series of three shots. The cost is expected to drop soon to 75 cents, and another laboratory at the University of Montreal will be in business by autumn.

Mr. Martin said that by the end of March 1956, 3 million Canadian children will have received either their full or primary vaccination. This is 60 percent of children under 16. All 800,000 children in Canada's first and second grades have already received two shots.

At present the central government and the Provinces are considering whether to continue inoculations during the summer when polio is at its peak. In Canada, where there are between 2,500 and 8,500 cases a year, the disease characteristically concentrates in specific Provinces.

"I don't think we'll give the first shots during the summer," Dr. Cameron said. "We'll start up again in the fall with boosters and primary vaccination."

NOT STATE MEDICINE

Plans for the vaccination program were made both at the October meeting and again in January. The local and Federal ministers decided to go ahead with the vaccination even if Dr. Francis reported the vaccine as having a low effectiveness but high safety. They wanted to continue the scientific work.

The ministers also decided to set up flying teams of polio specialists to follow up any accidents from vaccination. This proved to be a good move. One case that followed vaccination was shown not to be polio; another postvaccination case was demonstrated to have begun before infection. "Public hysteria was averted," Mr. Martin said.

Mr. Martin vigorously defends his free-vaccine program.

"That is not State medicine," Mr. Martin, himself a recovered polio victim, said. "Polio is a communicable disease, and control of such diseases is a Government responsibility. Besides, we have in this country a long tradition of supplying certain drugs and vaccines free. We give streptomycin to TB victims."

So far, no public or medical opposition has developed in Canada against the vaccine program, probably because the Health and Welfare Ministry plays such a big part in Canadian life.

This Ministry spends \$1,200,000,000 a year, including family allowances, and it is the biggest item next to defense in the Canadian

budget. The United States spends \$2,500,000,000 a year, the sixth highest agency budget.

Mr. MORSE subsequently said: Mr. President, I should like to make a brief comment, supplementing what the Senator from New York [Mr. LEHMAN] said earlier today, regarding an editorial on Secretary Hobby, which appeared in this morning's Washington Post and Times Herald.

As I announced the other day, before the week is over, I shall make a major speech on the polio vaccine question. However, I thought the observations made this morning by the Washington Post and Times Herald were particularly penetrating and that the editorial should be published in the body of the RECORD.

I do not believe this administration should be allowed to cover up what I think is the sad record it has made on the polio situation. I would suggest to Secretary Hobby and to the Surgeon General that if they do not know the facts which developed from an experience with a polio vaccine in 1931, they should acquaint themselves with them. In 1931 Dr. John Kolmer, of Temple University, produced a polio vaccine which did not have very desirable results. It was vaccine, I was informed by a prominent medical authority this morning, which made use of live virus, with some results which certainly were unfortunate.

In view of that experience, it seems to me that the American public had the right to expect Mrs. Hobby and the Surgeon General to use exceptional caution in making certain that not one batch of polio vaccine containing live virus would get into the channels of commerce.

As I was advised this morning, Dr. Kolmer's experiment with live virus produced exactly the disastrous results which followed the use of the Salk vaccine when it was not adequately tested so as to prevent any live virus vaccine from getting out of the laboratories.

I shall discuss the Kolmer experiment later in the week, and I shall also discuss other information which has been given to me by medical authorities and which leaves no room for doubt in my mind that Mrs. Hobby and the Surgeon General have much to answer for in connection with inexcusable mistakes which have been made in the antipolio program.

TRANSPORTATION IN THE MAILS OF LIVE SCORPIONS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 35) to permit the transportation in the mails of live scorpions, which were, to strike out all after the enacting clause and insert:

That section 1716 of title 18 of the United States Code is amended by inserting immediately after the second paragraph thereof the following new paragraph:

"The Postmaster General is authorized and directed to permit the transmission in the mails, under regulations to be prescribed by him, of live scorpions which are to be used for purposes of medical research or for the manufacture of antivenin. Such regulations shall include such provisions with

respect to the packaging of such live scorpions for transmission in the mails as the Postmaster General deems necessary or advisable for the protection of Post Office Department personnel and of the public generally and for ease of handling by such personnel and by any individual connected with such research or manufacture. Nothing contained in this paragraph shall be construed to authorize the transmission in the mails of live scorpions by means of aircraft engaged in the carriage of passengers for compensation or hire."

And to amend the title so as to read: "An act to provide for the transmission in the mails of live scorpions."

Mr. JOHNSON of Texas. Mr. President, I move that the Senate concur in the House amendments.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

Mr. KNOWLAND. May I inquire of the Senator from Arizona whether or not the amendment of the House is purely a technical amendment?

Mr. GOLDWATER. Let me say to the distinguished minority leader that the House amendment prohibits the shipment of live scorpions by airline. The amendment is perfectly agreeable to me.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON] to concur in the House amendments.

The motion was agreed to.

AMENDMENT OF TRAVEL EXPENSE ACT OF 1949

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent for the present consideration of House bill 6295, which has just come over from the House of Representatives, in order that it may be amended in certain particulars to correspond with a bill already passed by the Senate.

The VICE PRESIDENT. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read.

The bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes was read twice by its title.

The VICE PRESIDENT. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendments offered by the Senator from South Carolina will be stated.

The LEGISLATIVE CLERK. On page 1, line 5, after the word "thereof", it is proposed to strike out "\$13" and insert "\$12", and on page 3, after line 18, to add the following new section:

SEC. 4. Section 4 of said act is amended by striking the figures "4 cents" and "7 cents" and inserting "6 cents" and "10 cents", respectively, in lieu thereof.

The VICE PRESIDENT. The question is on agreeing to the amendments offered by the Senator from South Carolina.

The amendments were agreed to.

Mr. KNOWLAND. Mr. President, I understand that these amendments merely restore the language contained in a similar bill already passed by the Senate, and are for the purpose of getting the bill into conference.

Mr. JOHNSTON of South Carolina. That is true. The House bill, as amended, is the same as the bill already passed by the Senate.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 6295) was read the third time and passed.

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate insist on its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JOHNSTON of South Carolina, Mr. NEELY, and Mr. CARLSON conferees on the part of the Senate.

ADDRESS BY MAURINE NEUBERGER AT ANNUAL MEETING OF THE LIBERAL PARTY IN NEW YORK CITY

Mr. MORSE. Mr. President, on May 25, 1955, Oregon State Representative Maurine Neuberger made a speech at the annual dinner of the Liberal Party in New York City. I am particularly pleased that Mrs. Neuberger, who is the wife of the junior Senator from Oregon, on that occasion paid tribute to the illustrious junior Senator from New York [Mr. LEHMAN] and to his qualities of democracy, friendliness, and courage.

Mrs. Neuberger has made an exceptionally brilliant record in the Oregon State Legislature. As one reads her speech, one can well understand why she enjoys such a very fine reputation as a wonderful legislative leader in the State of Oregon.

Because I would like to associate myself with the remarks she made, not only with regard to the junior Senator from New York, but also in regard to the issues which she dealt with in her speech, I ask unanimous consent to have the speech printed in the body of the RECORD as a part of my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Mayor Wagner, Governor Harriman, Lieutenant Governor de Luca, and friends, it is bound to be a disappointment to you to come to this fine occasion expecting to hear a United States Senator and get in his place a lowly member of the lower house of the Oregon Legislature. It is sort of like ordering rare roast beef and getting plebeian hamburger—too well done.

I don't want you to consider me a substitute for my husband, and I don't speak for him. He is the member of the family who

has the ideas, the know-how, and is the real politician.

However, many of the issues and problems which are of paramount interest to you are of equal importance to us in Oregon and to people everywhere. In fact, I had lunch with your own Senator LEHMAN from this State a few days ago and I was flattered when he asked me questions about my own work in the Oregon Legislature. I thought to myself, "This is the mark of a fine man, that he is trying to show some interest in my humble position." But, as we talked, we found that our experiences in working at the State level often dovetailed: He showed me a yearbook of some of his veto messages and I had to laugh when I saw that the New York Legislature had had a bill dealing with muskrats. We had one very similar just a few weeks ago.

I am especially pleased to be on the same program with Governor Harriman, because I have followed the Governor's defense of Niagara Falls for all the people of New York State rather than for private monopolies. That is our fight at Hells Canyon. Cheap electricity, as a result of the great Federal power development in our area, has contributed to our national defense, and to increased industry—that means our people are earning more and paying more into the Federal Treasury through income tax—and to our own material comforts. I have lived on a farm—all my girlhood. I know what it means not to have electricity. Not until F. D. R. and Senator Norris put through Bonneville Dam and the Rural Electrification Administration did we have electric lights. Can you recall what it is like to have no electric refrigerator, to cook over a wood stove, no hot water by merely turning a tap? Now we have all those things, all the usual electric appliances, and electric milking machines. Our farm electric bill runs between \$6 and \$8 a month.

One of my particular fields in the legislature is education. I was a teacher for many years before I was married. During this session we watched the National Congress with particular interest to see what aid they could give to our many distressed school districts. By distressed, I don't mean that they are poor. They are merely suffering—or profiting—from a 49-percent increase in population in the last 10 years and can't keep up with the need for school buildings. The President's program falls utterly to meet our needs. Great fanfare heralded the proposal, yet it added up to virtually nothing. Even our Republican-dominated legislature saw that the so-called Federal aid would be of no help to us. It seemed to propose aid to banks, rather than to schools, by making it easier to borrow money at banker's rates, which are higher than those we are already using.

Dick's criticism of the handling of the Salk vaccine program has been widely reported in your own papers. I join him in criticism and in calling attention to the contrast exemplified in the Canadian program. We have spent a great deal of time in Canada, gathering story material and have observed their political system with interest. We have no desire to leave the land of our birth and allegiance and go to Canada, but when a neighbor has "built a better mousetrap," so to speak, it doesn't hurt to take a look and see how it works. On April 12, 1955, the Minister of National Health and Welfare in Ottawa was able to announce a comprehensive national program which had been developed in advance, in contrast to our hit-and-miss approach.

RESOURCES OF THE WEST ARE A NATIONAL HERITAGE

There are many wonderful things to do and see in New York, but one of the advantages of living in the West is our accessibil-

ity to rugged mountain vistas and outdoor living. Such a memorable trip was one that Dick and I made a couple of years ago over the Lewis and Clark Trail in the rugged wilderness area of central Idaho. It was a thrilling experience to know that we were actually walking over the same trail that those intrepid explorers trudged 150 years ago. We knew where we were going, but they didn't. Many times on that trip I said to myself, "It's a wonder to me that the Oregon Country ever got discovered." But, as Dick has written in a story about that trip, a lesson could be learned. Did Lewis and Clark claim the resources of the West for all Americans, through the endless years to come, or for a handful of men to profit from as their own property? On the timbered summit of Lolo Pass, we were looking at some of the same resources seen by Lewis and Clark—although those men knew nothing of the mystery of hydroelectric power lurking in those swift moving waters that led to the Columbia River. They couldn't possibly have envisioned the importance of those vast stands of pine and fir and spruce to our national economy of this year of 1955, 150 years later, but it is for those very issues, among others, that my husband made his decision to run for the United States Senate, and I in my small way to run for the Oregon Legislature.

I am called upon a great deal to speak before women's groups. When I do, I make it a point to say "I'm a politician." They know me as a teacher, a housewife, a writer, and photographer. But I want them to think of me as a politician. Many of them have never seen one in the flesh before and they have the picture drawn by the cartoonist of a man with a large stomach, covered by a plaid vest, and smoking a fat cigar. They think of him as an ominous character. I hope that when they see me, an average person, they will understand that politics is the art of government. That our deliberations, either on the State or national level, affect their daily lives. Whether they will be able to buy colored margarine, have adequate schools for their children, have abundant cheap electricity, be sure of a supervised plan for polio control, or even muskrat control. This is the business of the politician and of the people. I am sorry that new duties in Washington force me to leave the active field because politics is important and politics is fun.

FACING NEW PROBLEMS ON FOREIGN POLICY—THE ROLE OF THE UNITED NATIONS

Mr. MORSE. Mr. President, I prepared for delivery in the Senate a speech on facing new problems on foreign policy and the role of the United Nations. However, I delivered the speech on Monday, June 13, at the Northwest Institute of National Relations in Portland, Ore. I ask unanimous consent that the speech be printed in the body of the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

FACING NEW PROBLEMS ON FOREIGN POLICY—THE ROLE OF THE UNITED NATIONS

(Speech by Senator WAYNE MORSE before Northwest Institute of International Relations, Monday, June 13, New Lincoln High School Auditorium, Portland, Ore.)

It was 10 years ago on June 26, 1945, that the United Nations Charter was signed in San Francisco. Ten years is not a long span of time in history. But it is long enough to make the United Nations one-half as old as was the League of Nations at the outbreak of World War II. The time has come when

June 27, 1955

14. FARM LOANS. Passed without amendment S. 1755, to provide that the rate of interest on USDA disaster loans shall not exceed 3% per annum (p. 7947). The Agriculture Committee earlier in the day reported this bill without amendment (H. Rept. 915) (p. 7954). This bill will now be sent to the President.
15. EMERGENCY LOANS. Passed without amendment S. 1582, to extend until 1957 the period for making emergency loans for agricultural purposes (p. 7947). This bill will now be sent to the President.
16. TRAVEL EXPENSE. House conferees were appointed on H. R. 6295, to provide an increased maximum per diem and mileage allowance for subsistence and travel expenses (pp. 7942-3). Senate conferees were appointed June 22.
17. APPROPRIATIONS. House conferees were appointed on H. R. 6367, Commerce and related agencies appropriation bill for 1956. Senate conferees were appointed June 16.
House conferees were appointed on H. R. 6239, the D. C. appropriation bill for 1956 (p. 7914). Senate conferees were appointed June 23.
18. ORGANIZATION. Received from the Hoover Commission a report on the Business Organization of the Department of Defense; to Armed Services Committee (H. Doc. 196) (p. 7954).
19. TRADE AGREEMENTS. The Ways and Means Committee reported with amendment H. R. 6059, to authorize the President to enter into an agreement with the Philippines to revise the 1946 trade agreement between the two countries (H. Rept. 934) (p. 7954).
20. RESERVE FORCES. The Armed Services Committee ordered reported H. R. 7000, the new Armed Forces Reserve bill (p. D623).
21. GOVERNMENT COMPETITION. The Government Operations Committee ordered reported H. R. 279, to provide for the termination of Government operations which are in competition with private enterprise (p. D623).
22. PUBLIC WORKS. Passed, 317 to 2, with amendments H. R. 6829, to authorize certain construction at military, naval, and Air Force installations, which includes a revision of the provision for financing certain military housing in foreign countries through the furnishing of surplus agricultural commodities (pp. 7921-42).
23. LEGISLATIVE PROGRAM. Rep. McCormack announced that the FGA bill will be the next order of business to be followed by the conference report on the selective service bill, the atomic energy authorization bill, the military reserve bill, the housing bill, the social security amendments, and the Mexican farm labor bill. Agreed to call the Consent Calendar on July 5. (pp. 7914-5).

BILLS INTRODUCED

24. ATTORNEYS. S. 2326, by Sen. Eastland, to require any attorney at law practicing before a Federal court, or appearing before a congressional committee as counsel for a witness testifying before such committee, or appearing as counsel before any department or agency in the executive branch of the Government of the United States, to file a non-Communist affidavit; to Judiciary Committee (p. 7862). Remarks of author (pp. 7863-4).

25. PERSONNEL. S. 2331, by Sen. Carlson, to provide for improvement in the system of personnel administration through the establishment of a senior civil service in accordance with the recommendations of the Commission on Organization of the Executive Branch of the Government; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2332, by Sen. Carlson, relating to the simplification of the general schedule of the Classification Act of 1949, as amended; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2333, by Sen. Carlson, relating to the certification of eligibles under the civil-service laws; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2334, by Sen. Carlson, providing for a simplified performance rating system for Federal employees; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2335, by Sen. Carlson, relating to appeals by veterans under section 14 of the Veterans' Preference Act of 1944; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2336, by Sen. Carlson, relating to reduction in personnel procedure and preference of veterans; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
- S. 2337, by Sen. Carlson, relating to the transfer of Federal employees from the classified civil service to another personnel merit system; to Post Office and Civil Service Committee (p. 7863). Remarks of author (p. 7865).
26. HOUSING; SMALL BUSINESS. S. J. Res. 85, by Sen. Fulbright, to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950; placed on the calendar (p. 7863). Remarks of author (p. 7862).
27. PERSONNEL; PAYROLLING. H. R. 7008, by Rep. Barrett, to amend Public Law 587 by permitting the withholding by the Federal Government from wages of employees certain taxes imposed by municipalities; to Ways and Means Committee (p. 7955).
28. LANDS. H. R. 7023, by Rep. Seely-Brown, to provide for the conveyance of certain land of the United States to the State of Connecticut; to Agriculture Committee (p. 7955).
29. SUGAR. H. R. 7030, by Rep. Cooley, "to amend and extend the Sugar Act of 194 as amended;" to Agriculture Committee (p. 7955).
30. GOVERNMENT COMPETITION. H. R. 7032, by Rep. Hoffman, Mich., to provide for the termination of Government operations which are in competition with private enterprise; to Government Operations Committee (p. 7955).

ITEMS IN APPENDIX

31. CONSERVATION. Rep. Bailey inserted a speech by a West Virginia farmer discussing the value of soil conservation practices in the prevention of floods and conservation of water supply (p. A4640).
32. ACREAGE ALLOTMENTS. Sen. Jackson inserted a report stating that the cutback in sugar beet acreage in Washington State is depriving farmers of one of their best cash crops (pp. A4642-3).

Mr. BROWNSON. Mr. Chairman, I am voting "present" on the rollcall on H. R. 6829, authorizing construction for the military departments and the Central Intelligence Agency.

To me, this is the only sound position open because I have not been able to find in the extensive hearings and the report the facts I feel I need in order to pass on this \$2.36 billion authorization for the purchase of more real estate by the Department of Defense, which already holds properties costing more than \$24.8 billion with some of it being carried at ridiculously low acquisition costs. This holding comprises 61 percent of the acquired real property of the United States Government. In addition, the Department of Defense leases 190 locations including 1,983,686 acres for which it pays an annual rental of \$19,697,000.

I cannot say that the armed services do not need every facility provided in the bill before us today—but, after reading the hearings, I do have some reasonable doubts. Neither can I say that the armed services do need these facilities and this land in every case.

In the brief of authorizations, under title I, the Army lists \$223,993,000, or 40 percent, of its construction authorizations as "classified." The Navy, under title II, lists \$151,342,400, or about 25 percent of its construction funds as "classified." I am pleased that the Air Force seems more detailed and forthright in its justifications throughout and does not hide behind the term "classified" for projects most of which are being built right here in the United States, where all our citizens can observe daily the steam shovels, bulldozers, and steelworkers working on the projects so carefully "classified" from Congress.

I have been unable to discover just what is the construction included in title IV for the chairman of the Joint Chiefs of Staff. Evidently this \$300,000 did not appear in the original H. R. 5700 as introduced by the gentleman from Georgia [Mr. VINSON], at least not in title IV where it is now. Is this a house for Admiral Radford? Is it an elite housing project to provide for his personal staff, too? How many facilities can you provide for an admiral for \$300,000. I am not saying that this is necessarily either an unwise or an unjustified expenditure; I would just like to know what it is for and what we get for the money. Such items as "Chairman, JCS, \$300,000," do not explain to me what use is to be made of the taxpayers' money any more than I can be completely satisfied with general phrases such as "Operational and maintenance facilities," "Community facilities," and "Storage facilities," as justifications for the expenditure of billions of dollars.

I do not know whether the CIA needs a \$6 million building site and a \$50 million building, or not. I do not know or have any idea of how many employees CIA now has. I do not know what they do or to whom they are really accountable. Perhaps if I knew these things I would want to increase the CIA construction authorization, but I guess I will never know. Perhaps those of us in Congress will, someday, create a Joint Committee on Intelligence to provide congressional

guidance to CIA modeled on that which the Joint Committee on Atomic Energy has developed in its field. Certainly we exercise no controls over this super secret agency through a check on the purse strings.

The Committee on Armed Services deserves due credit for their application and diligent work on this piece of legislation. The hearings total 4,091 pages, accumulated in approximately 50 hours and 25 minutes of on-the-record hearings spread over 21 days. Rapidly calculating, I estimate that the committee considered this authorization at about the rate of \$789,666 per minute of open hearing time, an evidence of unusual efficiency especially when you consider that their considerations ranged from Alaska to the Midway Islands including the British West Indies, the Canal Zone, Cuba, French Morocco, Hawaii, Iceland, Italy, Japan, Johnson Island, Mariana Islands, and the Marshall Islands in between. Without being able to tell what went on in the off-the-record hearings, one can wish the Army and Navy had justified their requests as forthrightly as the Air Force.

The Army will be authorized \$551,105,000 in this bill as contrasted with \$236 million granted in fiscal 1955—an increase of over 100 percent. The Navy will be authorized \$596,140,900 in this bill to accomplish public works as compared with about \$202 million for fiscal 1955, an increase of well over 100 percent. The Air Force will be authorized \$1,165,456,000 in this bill, an increase of more than 300 percent over last year's authorization of \$398,954,000.

Is this too much, or is it too little? Can we use this real estate instead of weapons against an enemy? I just do not know. On the basis of the information furnished me I have no way of reaching a sensible conclusion. So, I voted "Present."

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. METCALF, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6829) to authorize certain construction at military, naval, and Air Force installations, and for other purposes, pursuant to House Resolution 283, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not the Chair will put them en grosse.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. VINSON. Mr. Speaker, on final passage I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 316, nays 2, answering "present" 2, not voting 114, as follows:

[Roll No. 97]

YEAS—316

Abbitt	Fernandez	Multer
Abernethy	Fine	Murray, Ill.
Addonizio	Flisher	Murray, Tenn.
Alger	Fjare	Natcher
Allen, Ill.	Flood	Nicholson
Andersen,	Flynt	Norblad
H. Carl	Fogarty	Norrell
Andresen,	Forand	O'Brien, Ill.
August H.	Ford	O'Hara, Ill.
Andrews	Forrester	O'Hara, Minn.
Arends	Fountain	O'Neill
Ashley	Frazier	Osmer
Ashmore	Friedel	Ostertag
Aspinall	Gary	Passman
Auchincloss	Gavin	Patman
Avery	Gentry	Patterson
Ayres	George	Pelly
Baker	Gordon	Perkins
Baldwin	Grant	Pfost
Bass, N. H.	Green, Oreg.	Philbin
Bass, Tenn.	Gregory	Phillips
Bates	Griffiths	Pilcher
Baumhart	Gross	Pillion
Beamer	Gwinn	Poage
Belcher	Haley	Poff
Bell	Hand	Preston
Bennett, Fla.	Harden	Price
Bennett, Mich.	Hardy	Priest
Bentley	Harls	Prouty
Berry	Harrison, Va.	Rabaut
Betts	Hays, Ark.	Radwan
Blatnik	Hays, Ohio	Rains
Boggs	Hayworth	Ray
Bolling	Hébert	Reed, Ill.
Bolton,	Henderson	Rees, Kans.
Frances P.	Herlong	Reuss
Bow	Hess	Rhodes, Ariz.
Bowler	Hiestand	Rhodes, Pa.
Boyle	Hill	Richards
Bray	Hillings	Riley
Brooks, La.	Hinschaw	Roberts
Brown, Ga.	Hoffman, Mich.	Robeson, Va.
Brown, Ohio	Holifield	Rodino
Broyhill	Holmes	Rogers, Colo.
Buchanan	Hope	Rogers, Fla.
Budge	Hosmer	Rogers, Mass.
Burleson	Huddleston	Rogers, Tex.
Burnside	Hull	Rooney
Bush	Hyde	Rutherford
Byrd	Jarman	Sadlack
Byrnes, Wis.	Jenkins	Saylor
Cannon	Jennings	Schenck
Carlyle	Jensen	Scott
Carnahan	Johansen	Scudder
Carrigg	Johnson, Calif.	Seely-Brown
Cederberg	Jones, Ala.	Selden
Celler	Jones, N. C.	Sheehan
Chelf	Judd	Shelley
Chenoweth	Karsten	Short
Chiperfield	Keating	Shuford
Christopher	Kelley, Pa.	Sieminski
Chudoff	Kelly, N. Y.	Sikes
Church	Keogh	Siler
Clark	Kilburn	Simpson, Ill.
Clevenger	Kilday	Sisk
Cole	Kilgore	Smith, Miss.
Colmer	King, Calif.	Smith, Va.
Cooley	Kirwan	Smith, Wis.
Coon	Kluczynski	Spence
Cooper	Krueger	Springer
Corbett	Landrum	Staggers
Coudert	Lane	Steed
Cramer	Lanham	Sullivan
Cretella	Lankford	Taber
Crumpacker	Latham	Talle
Cunningham	LeCompte	Teague, Calif.
Curtis, Mass.	Lipscomb	Thomas
Curtis, Mo.	Long	Thompson,
Dague	McCarthy	Mich.
Davis, Ga.	McCormack	Thompson, N. J.
Davis, Wis.	McCulloch	Thomson, Wyo.
Dawson, Ill.	McDonough	Thornberry
Dawson, Utah	McDowell	Tollefson
Deane	McMillan	Trimble
Delaney	McVey	Tuck
Dempsey	Macdonald	Tumulty
Derounian	Machrowicz	Udall
Devereux	Mack, Wash.	Van Zandt
Dies	Madden	Vinson
Dixon	Mahon	Vorys
Dolliver	Marshall	Vursell
Dondero	Martin	Wainwright
Donohue	Mason	Walter
Dorn, N. Y.	Matthews	Watts
Dorn, S. C.	Metcalf	Weaver
Durham	Miller, Calif.	Westland
Edmondson	Miller, Md.	Wharton
Elliott	Miller, Nebr.	Whitten
Evins	Mills	Wickersham
Fallon	Minshall	Widnall
Fascell	Mollohan	Wier
Felghan	Morano	Wigglesworth
Fenton	Moss	Williams, Miss.

Williams, N. Y.	Wolcott	Young
Willis	Wolverton	Younger
Wilson, Ind.	Wright	Zablocki
Winstead	Yates	

NAYS—2

Bailey	Harvey
ANSWERING "PRESENT"—2	
Brownson	Scrivner

NOT VOTING—114

Adair	Garmatz	Meador
Albert	Gathings	Morrow
Alexander	Granahan	Miller, N. Y.
Allen, Calif.	Gray	Morgan
Anfuso	Green, Pa.	Morrison
Barden	Gubser	Moulder
Barrett	Hagen	Mumma
Becker	Hale	Nelson
Blitch	Halleck	O'Brien, N. Y.
Boland	Harrison, Nebr.	O'Konski
Bolton	Heselton	Polk
Oliver P.	Hoeven	Powell
Bonner	Hoffman, Ill.	Quigley
Bosch	Holt	Reece, Tenn.
Boykin	Holtzman	Reed, N. Y.
Brooks, Tex.	Horan	Riehlman
Buckley	Ikard	Rivers
Burdick	Jackson	Robison, Ky.
Byrne, Pa.	James	Roosevelt
Canfield	Johnson, Wis.	St. George
Chase	Jonas	Scherer
Chatham	Jones, Mo.	Schwengel
Davidson	Kean	Sheppard
Davis, Tenn.	Kearney	Simpson, Pa.
Denton	Kearns	Smith, Kans.
Diggs	Kee	Taylor
Dingell	King, Pa.	Teague, Tex.
Dodd	Klein	Thompson, La.
Dollinger	Knox	Thompson, Tex.
Donovan	Knutson	Utt
Dowdy	Laird	Vanik
Doyle	Lesinski	Van Pelt
Eberharter	Lovre	Velde
Ellsworth	McConnell	Williams, N. J.
Engle	McGregor	Wilson, Calif.
Fino	McIntire	Withrow
Frelinghuysen	Mack, Ill.	Zelenko
Fulton	Magnuson	
Gamble	Mailliard	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Mack of Illinois with Mr. Halleck.
 Mrs. Blitch with Mr. Fino.
 Mr. Klein with Simpson of Pennsylvania.
 Mr. Morrison with Reece of Tennessee.
 Mr. Alexander with Mr. Nelson.
 Mr. Zelenko with Mr. Kean.
 Mr. O'Brien of New York with Mr. James.
 Mr. Dollinger with Mr. Wilson of California.
 Mr. Donovan with Mr. Harrison of Nebraska.
 Mr. Buckley with Mr. Heselton.
 Mr. Powell with Mr. Canfield.
 Mr. Sheppard with Mr. McConnell.
 Mr. Holtzman with Mr. Miller of New York.
 Mr. Green of Pennsylvania with Mr. Frelinghuysen.
 Mr. Barrett with Mr. Gubser.
 Mr. Granahan with Mr. Holt.
 Mr. Byrne of Pennsylvania with Mr. Horan.
 Mr. Morgan with Mr. Becker.
 Mr. Eberharter with Mr. King of Pennsylvania.
 Mr. Polk with Mr. Withrow.
 Mr. Denton with Mr. Van Pelt.
 Mr. Doyle with Mr. Taylor.
 Mr. Chatham with Mr. Scherer.
 Mr. Anfuso with Mrs. St. George.
 Mr. Albert with Mr. Riehlman.
 Mr. Lesinski with Mr. Fulton.
 Mr. Roosevelt with Mr. Ellsworth.
 Mr. Dingell with Mr. Robison of Kentucky.
 Mr. Garmatz with Mr. Schwengel.
 Mr. Bonner with Mr. Smith of Kansas.
 Mr. Williams of New Jersey with Mr. Hoeven.
 Mr. Vanik with Mr. Hoffman of Illinois.
 Mr. Quigley with Mr. Jackson.
 Mr. Engel with Mr. Velde.
 Mr. Davidson with Mr. Utt.
 Mrs. Knutson with Mr. Gamble.
 Mrs. Kee with Mr. Adair.
 Mr. Thompson of Louisiana with Mr. Jonas.

Mr. Thompson of Texas with Mr. Kearns.
 Mr. Teague of Texas with Mr. Allen of California.

Mr. Ikard with Mr. McGregor.
 Mr. Davis of Tennessee with Mr. Mailliard.
 Mr. Dowdy with Mr. McIntire.
 Mr. Moulder with Mr. Lovre.
 Mr. Magnuson with Mr. Bosch.
 Mr. Boykin with Mr. Chase.
 Mr. Brooks of Texas with Mr. Knox.
 Mr. Boland with Mr. Laird.
 Mr. Jones of Missouri with Mr. Reed of New York.

Mr. Hagen with Mr. O'Konski.
 Mr. Gray with Mr. Meador.
 Mr. Rivers with Mr. Morrow.
 Mr. Gathings with Mr. Mumma.
 Mr. Barden with Mr. Hale.
 Mr. Diggs with Mr. Burdick.
 Mr. Johnson of Wisconsin with Mr. Kearney.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. WAINWRIGHT. Mr. Speaker, during rollcall No. 95 I was necessarily absent at the Pentagon. Had I been present, I would have voted "yea."

CORRECTION OF ROLLCALL

Mr. SAYLOR. Mr. Speaker, on rollcall No. 91 my colleague, Mr. JAMES, is recorded as having voted. On that day, he was in the hospital in Bethesda, and I ask unanimous consent, therefore, that the RECORD and Journal be corrected accordingly to show that he was not present and did not vote.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CORRECTION OF ROLLCALL

Mr. BROYHILL. Mr. Speaker, I understand that I was not recorded as voting on rollcall No. 95. I voted "yea" and ask unanimous consent that I be so recorded.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

ELIZABETH KEE—WEST VIRGINIA'S DAUGHTER OF THE YEAR

(Mr. BURNSIDE asked and was given permission to extend his remarks at this point.)

Mr. BURNSIDE. Mr. Speaker, in the June 17 issue of the White Sulphur Sentinel, White Sulphur Springs, W. Va., Miss Pat Sullivan in her column "Saun-

terings" congratulates the State of West Virginia for having such an illustrious daughter as our colleague, the Honorable ELIZABETH KEE, Fifth District, West Virginia. I have known ELIZABETH as the wife of my good friend and former colleague, the late John Kee. I have known her as a vivacious woman and an active, sincere representative for her district.

Under unanimous consent to extend my remarks I include this article in the RECORD.

I plume myself I'm getting up in the world—on my acquaintance list are not only West Virginia's queenly royalty of festival days and the hermit of the Alleghenies, but I also claim acquaintance with the former West Virginia mother of the year, the beloved Mrs. Alex Thompson of Alderson. I count as my close friends a few people rich enough to be retired. But this "bla bla bla fanfare" is to tell you I also know West Virginia's daughter of the year. My gracious friend, the Honorable ELIZABETH KEE, of Bluefield, W. Va., and of the House of Representatives in Washington, D. C., received this distinct honor last May 7 when the West Virginia Society of the District of Columbia held its annual son-and-daughter banquet honoring West Virginia's outstanding son and daughter of the year 1955. Mrs. KEE was selected as our State's most distinguished daughter and she was presented with a beautiful plaque by a former Member of the House of Representatives, the Honorable Jennings Randolph. Just naturally letters and telegrams of applause poured into her mailbox from friends and acquaintances expressing their confidence and appreciation of her integrity and eminent service to her people. The Honorable ROBERT C. BYRD, of West Virginia, paid tribute to ELIZABETH KEE in appreciative poetic phrases that were written into the CONGRESSIONAL RECORD of May 10, 1955, plus letters like orchids from such biggies as Speaker SAM RAYBURN, Senator H. M. KILGORE, and GRACIE FOST, of Idaho, and a half dozen others were applause in the CONGRESSIONAL RECORD for West Virginia's favorite daughter. Humbly I add my soprano cheers for my favorite politician. Once a year at least we meet at the State fairgrounds at Fairlea, W. Va. But where in heck were you last summer, ELIZABETH KEE? I missed you. I want to complain also about your pictures on the roadside billboards, because the pictures were not nearly so pretty as you are. Congratulations, Daughter of 1955, room 1016, New House Office Building, Washington, D. C.

CORRECTION OF RECORD

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to make certain correction in the RECORD at page A4001.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDING THE TRAVEL EXPENSE ACT OF 1949

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. DAWSON of Illinois, Mr. FASCELL, and Mr. YOUNGER.

CONSENT CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order for the Consent Calendar to be called on Tuesday, July 5, and that it also be in order for the Speaker to recognize Members for suspension of the rules on the same day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 283) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the vice chairman and ranking House minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN] and I now yield myself such time as I may consume.

Mr. Speaker, I rise to urge the adoption of House Resolution 283 which will make in order the consideration of the bill, H. R. 6795, to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

Mr. Speaker, House Resolution 283 provides for an open rule with 1 hour of general debate on the bill itself.

H. R. 6795 has been reported unanimously by the Joint Committee on Atomic Energy.

Mr. Speaker, the Atomic Energy Act of 1954 modified the Commission's authority to seek appropriations in such a manner that it become necessary for the Commission to obtain "congressional approval of new construction or expansion

of its plants." The bill which we are presenting under this rule today is the first authorizing legislation resulting from the change in the Commission's authority to seek appropriations.

Specifically H. R. 6795 would authorize the appropriation to the Commission of \$267,709,000 for the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, and itemizes the projects for which this money may be appropriated, together with an estimate of the cost of each.

The bill also specifies the various projects which may be developed under the authorization contained in this bill. The committee report complies with the Ramseyer rule, and the bill also sets forth the limitations imposed in the proposed bill upon the expenditures and the projects proposed.

Mr. Speaker, this is an open rule that is proposed here today. Amendments may be offered from the floor, and the bill is, therefore, amendable from the floor if the House so desires to amend the bill. We all know that these atomic projects are vitally important to the national welfare of this country, and for this reason H. R. 6795 deserves the careful consideration of this House. I hope that the rule will be adopted and that the House will then proceed to give serious consideration to the merits of the bill itself.

Mr. MARTIN. Mr. Speaker, this legislation is a vital part of the national defense. There is no opposition, either in the legislative committee which considered the same or the Committee on Rules.

I have no requests for time, and I reserve the balance of my time.

Mr. DELANEY. Mr. Speaker, I move the previous question on the resolution. The previous question was ordered.

The resolution was agreed to.

Mr. DURHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6795) with Mr. McCARTHY in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from North Carolina [Mr. DURHAM] will be recognized for 30 minutes, and the gentleman from New York [Mr. COLE] will be recognized for 30 minutes.

The gentleman from North Carolina is recognized.

Mr. DURHAM. Mr. Chairman, I yield myself such time as I may use.

The CHAIRMAN. The gentleman from North Carolina may proceed.

Mr. DURHAM. Mr. Chairman, this legislation, the bill H. R. 6795, which is

before us today, is somewhat of a milestone and new approach to atomic legislation. As was pointed out a few minutes ago by the gentleman from New York, a member of the Committee on Rules, the Atomic Energy Commission has previously simply gone to the Appropriations Committee and secured money to build whatever items it could get approved by that committee.

Last year's act, as you all recall, brings the Atomic Energy Commission into line with other Government agencies, which I feel is sound legislative procedure. The items included in this bill are needed by the Atomic Energy Commission; the joint committee has gone over each of them very carefully and approved them. There is but one item in the bill that has not yet been approved by the Budget Bureau: that is one for \$5 million for research reactors abroad. The committee added this item after the President's announcement at State College, Pa., on the extension of the atoms-for-peace program which he hopes to initiate with friendly countries.

The bill, H. R. 6795, is authorizing legislation resulting from the change in the Commission's statutory authority to seek appropriations. Since 1946 the House and Senate Appropriations Committee have done a magnificent job in meeting the needs of the Atomic Energy Commission and supporting this agency and the part it has played in our national defense through the development of new weapons.

We have before us legislation which combines, in my opinion, the best of the control features over the financial operations of the Commission, while at the same time it allows financial leeway to permit the most rapid progress in all of the Commission's essential programs.

The committee considered this bill at great length, both in the subcommittee and in the full committee. The legislation sets forth by line and item the essential construction projects which the committee believes necessary to allow the Atomic Energy Commission to develop atomic energy at the maximum rate both for national defense and for peaceful purposes.

Mr. Chairman, this bill will be explained more fully by the gentleman from California [Mr. HOLIFIELD], chairman of the joint committee's Subcommittee on Authorizing Legislation and who held the hearings on the items in detail. He has done an excellent job.

The bill and report, as you see them before you, outlines each item, which facilitates the committee's check and review of the Commission's program and expenditures.

There is one item which the committee has authorized and on which it placed a limitation. That is the training school at the National Laboratory at Chicago. We all recall when we adopted the new atomic legislation last year it carried with it rather broad authority for foreign students to come to this country and learn to use atomic energy for peaceful purposes. We have, therefore, initiated a training program for foreign students to assist those countries which do not have the trained personnel and which

also lack the technical know-how which is basic in the peaceful use of atomic energy. That training program has resulted in a flood of applications from students of foreign countries. Most of them have a doctor's degree in engineering or science. They want to come to this country immediately and secure the best training we have to offer. The committee felt it wise therefore to go along with the request of the Commission for additional classrooms and highly specialized equipment because we want to carry out our promise. We have some 70 foreign students there now. This year the Commission wants to train approximately 124 foreign students at that school. There is but one school in this country at the present time that has the reactor on a college campus which can be used for the training of students. Therefore, it was necessary to expand the Argonne School. The committee, however, placed a limitation of 3 years on this training program. We believe that in 3 years many universities will have these reactors on their campuses and the Commission would no longer have to carry on this type of program.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Illinois.

Mr. SPRINGER. I would like to ask the distinguished gentleman who has been in the past chairman of the Joint Atomic Energy Committee a couple of questions. I have read the report and a portion of the bill. How much of the \$267,709,000 is for what we would generally classify as peaceful purposes and how much is devoted to defense purposes? Could the gentleman give us that roughly?

Mr. DURHAM. I think it would be very difficult to break it down to an exact figure because anything you do in developing a reactor, for example, has a twofold purpose. It can produce power for peaceful purposes and it can be used as laboratory reactor for cancer research, or basic scientific research. Also, at the same time, it can produce materials for weapons, or can propel a warship. It would be very difficult to draw a line and say, on a dollar-for-dollar basis, what is for peaceful purposes. Further if we stop military production, you know, we could use most of this entire investment for peaceful purposes.

Mr. SPRINGER. The gentleman will recall that a few days ago the President gave out a public release in which they had initialed the agreement, for instance, with the Government of Pakistan to supply them with a reactor, as I understood, and that was to be for peaceful purposes. I understand what the gentleman means, but I am trying to get at the division. Is this 50-50 or one-quarter for peaceful purposes and three-quarters for defense?

Mr. DURHAM. I would hazard and guess and say it could be used either way you wanted to use it. If it became necessary, if we had an emergency, we could use all of this special nuclear material for national defense. We do not lose a grain of it. If we put it in a reactor, we do not lose one grain of this material, you understand. We hold ownership of

it where it is sent. Consequently it is a very difficult thing to put it on a percentage basis.

There is \$5 million in the bill for the program the gentleman just mentioned to build reactors for friendly countries under agreement for cooperation, and I think Pakistan is one of them, or at least I hope it is.

Mr. SPRINGER. I want to ask the gentleman one further question, and I do not know that it necessarily applies to this bill. But, I do believe the House likes to be assured when these matters arise, and I know the gentleman has been present at practically all of these joint meetings.

Mr. DURHAM. Practically all of them.

Mr. SPRINGER. Can the gentleman assure the House that in the atomic energy field we are keeping up with our competitors so far as our national defense is concerned?

Mr. DURHAM. I believe I can assure this House that we are pre-eminent, and we expect to be and expect to continue to be.

Mr. SPRINGER. To remain ahead of all of our competitors in this field?

Mr. DURHAM. That is right. I can assure the gentleman of that.

Mr. SPRINGER. I thank the gentleman.

[Mr. GROSS addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. DURHAM. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, this bill, it will be noted, consists of five sections, the first of which lists the various construction items for which authorization is being asked, together with what is felt to be a reasonable upper dollar limit for the project. It will be noted that authorization is being given for the start of or continuation of certain long-range programs for which all of the money will not be expended in fiscal year 1956—that is to say, aircraft reactor test facilities.

The joint committee has weighed these items on the scales of programmatic justification with a secondary consideration of the estimated cost of the project. The committee feels that the final determination of the amount to be appropriated for these programs rests with the appropriations committees of both Houses.

Drawing upon its own experience and not inconsiderable experience of the Appropriations Committees of both Houses, the joint committee has written into this bill, in the second section, section 102, certain restrictions on the authorization which it seeks to give the Atomic Energy Commission.

Heretofore it will be recalled that the Commission was entitled to start construction on a project if, at the time the project was initiated, the estimated cost thereof would not exceed by 35 percent the original estimated cost when the budget was prepared.

The joint committee now feels that the Commission has matured to the point where it is capable of making rather

accurate estimates of the cost of its proposed facilities. Additionally, the committee feels that many of the factors which heretofore have influenced the final cost of any of the Commission's facilities no longer obtain. The committee has in mind such things as scarcity of construction materials, the crash nature of most of the Commission's earlier programs in which the construction of \$100 million facilities was undertaken before scarcely more than a hand-drawn sketch of that facility had been completed.

In other words, it is now felt that the program has matured along with the agency to the point where the cost of programs can be anticipated and where the normal conventional way of drawing up blueprints, taking of careful cost estimates, and seeking bids, can be—and should be—the order of the day. With the foregoing in mind, the committee, as it will be noted, has divided the Commission's requested construction items into three categories, the first of which permits the Commission to initiate construction if at that time the cost is estimated not to exceed the original estimate by 25 percent. The construction items in this group have elements of uncertainty which the committee feels makes them eligible for the larger percentage of deviation. The second category of items, it will be noted, has been limited to a 10-percent deviation. These items, the committee feels, are more or less conventional run-of-the-mill type of buildings and facilities for which estimates should be quite accurate and therefore minimum flexibility is provided. The third category of items, which are in this instance the access roads for the uranium-mining program, are of so routine a nature that the committee felt that no deviation from estimated cost was necessary.

This bill provides authorization for all items requested by the executive department except its request for \$21 million to start construction on the so-called nuclear propelled cargo ship. After the Joint Committee's Authorizing Legislation Subcommittee started conducting its hearings on this bill, the executive department submitted this item as an addition to the construction projects to be undertaken immediately by the AEC. The joint committee had no previous knowledge that such a request would be made.

Expert testimony by Commission personnel indicates that this cargo-ship project, as submitted, calls for the construction or modification of a standard cargo-ship hull and the construction and installation of a *Nautilus* type nuclear powerplant.

After full review, it was the consensus of the joint committee that this project would be an extremely expensive way of accomplishing this purpose. I say expensive in that it would divert the Commission personnel from other projects which hold great promise for advancing the art of nuclear power in important ways; it provides nothing new in the field of nuclear power design and construction; and in using an enlarged but duplicate copy of a now out-of-date pioneering-type of nuclear powerplant it

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 12, 1955
For actions of July 11, 1955
84th-1st, No. 116

* At this season of the year, during the last few weeks of Congress, the Legisla- *
* tive Reporting Staff receives several hundred requests for information and *
* material each day. Usually only three persons are available to fill these re- *
* quests, and they must also prepare the Digest of Congressional Proceedings, *
* which should be issued as early as possible each day. These employees are here *
* to provide good service, and they want to do so. But if your requests can just *
* as well wait until after 11:00 a. m., such scheduling (for either visits or *
* phone calls) will enable us to render better over-all service to the Department. *
* It will also be helpful if you will arrange to consolidate your requests to the *
* extent feasible. *

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HIGHLIGHTS: Senate agreed to and House received conference report on forest mining bill. Senate passed bills to: extend livestock loans, provide for USDA report on tobacco research program, request USDA report on agricultural weather forecasting, include onions under CEA, and amend Farm Tenant Act. House received conference report on travel expense allowance bill. House passed mutual security appropriation bill.

HOUSE

1. FOREIGN AID. Passed with amendment H. R. 7224, the mutual security aid appropriation bill (pp. 8776-8818, 8823). Rejected by a voice vote an amendment offered by Rep. Whitten to prohibit the use of funds for technical assistance programs designed to increase agricultural production of underdeveloped countries; and rejected by a vote of 84 to 146 an amendment offered by Rep. Hand that the United States contribution to international agencies be limited to 33 1/3 % of the budget of such international agency.

The bill provides appropriations of \$2,638,741,750 (\$627,900,000 less than the budget estimates) and a reduction of \$21,366,750 in the estimated unobligated balances, and includes \$150,500,000 for technical assistance programs. The committee report requests that future budget estimates for this program be submitted to Congress earlier in the session. The report also states, "Another matter which seriously concerns the Committee is the evidence of questionable administrative practices followed in obligating, deobligating, and reobligating funds ..." (H. Rept. 1086) (p. 8823).

2. TRAVEL EXPENSES. Received the conference report on H. R. 6295, the per diem allowance for subsistence and travel expenses allowance (H. Rept. 1088) (pp. 8775-6, 8823). The House conferees receded from their disagreements to the Senate amendments, which provide for a maximum per diem allowance of \$12 and motorcycle mileage allowance of 6 cents and automobile allowance of 10 cents.

3. MINING; FORESTS. Received the conference report on H. R. 5891, providing for multiple use of the surface of the same tracts of public lands (H. Rept. 1096) (pp. 8818-9, 8823). The Senate agreed to the conference report (pp. 8713-4).

4. WATER. Conferees were appointed for consideration of H. R. 3990, providing for a study of water resources and potential of Alaska (p. 8818). Senate conferees have not been appointed.

5. ROADS. Received the conference report on S. 1464, authorizing the Secretary of the Interior to acquire certain rights-of-way and timber access roads (H. Rept. 1097) (p. 8819).

6. HIGHWAYS. Rep. Sieminski urged that the tax load on the highway user be considered when methods for financing the Federal aid highway bill are under study (pp. 8819-20, 8822).

7. PERSONNEL. The Rules Committee reported H. Res. 304, which would authorize the Post Office and Civil Service Committee to conduct studies and investigations of various specified matters within their jurisdiction (H. Rept. 1089) (p. 8776).

8. RECLAMATION; ELECTRIFICATION. The Interior and Insular Affairs Committee reported with amendments H. R. 3383, to authorize the construction, operation, and maintenance of the Colorado River storage project (H. Rept. 1087) (p. 8823).

9. LANDS. The Interior and Insular Affairs Committee reported without amendment S. 1878, to continue availability of certain ARS lands for transfer to Miles City, Mont. (H. Rept. 1091) (p. 8823).

House of Representatives

MONDAY, JULY 11, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, who art worthy of all adoration and allegiance, may we enter upon this new week resolved and determined to surrender ourselves in courage and confidence to Thy holy will.

Thou alone canst enable us to meet victoriously the duties and demands which daily vex and baffle our minds for Thou art all wise and all powerful.

Grant that we may strive with every means and capacity at our command to build a nation that is obedient and responsive to Thy divine law.

Show us how the life of our Republic and the legislation which we are enacting may be touched and permeated with more of spiritual significance and fineness.

May we always seek to blend the lofty spirit of religion, the spirit of justice and righteousness with our politics, for in so doing our national life will be nobler and more fruitful for the welfare of humanity.

Hear us in the name of the Christ who rules men and nations with the scepter of love. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, July 7, 1955, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 787. An act granting the consent of Congress to the States of Colorado, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, and Wyoming to negotiate and enter into a compact for the attainment of the conservation and development of the water resources of the Missouri Basin, and for other purposes; and

S. 1210. An act to amend the Public Buildings Act of 1949 to provide a 5-year limitation on the period of leases of space for Federal agencies in the District of Columbia.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles:

H. R. 1692. An act for the relief of Frederick F. Gaskin;

H. R. 1745. An act for the relief of Paul E. Milward;

H. R. 1747. An act for the relief of the Utica Brewing Co.;

H. R. 2769. An act for the relief of Tennessee C. Batts;

H. R. 3363. An act for the relief of Rodolfo C. Delgado, Jesus M. Laguna, and Vicente D. Reynante; and

H. R. 4182. An act for the relief of the Highway Construction Company of Ohio, Inc.

ANNOUNCEMENT OF ENROLLED BILLS SIGNED

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Thursday, July 7, 1955, he did on that day sign the following enrolled bill of the Senate:

S. 2090. An act to amend the Mutual Security Act of 1954, as amended.

And on July 8, 1955, sign enrolled bills of the Senate and House as follows:

S. 609. An act to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States, of special nuclear material and atomic weapons;

S. 804. An act to amend section 201 (d) of the Career Compensation Act of 1949, as amended, to provide for advance payments of certain pay and allowances of members of the uniformed services, and for other purposes;

H. R. 1692. An act for the relief of Frederick F. Gaskin;

H. R. 1745. An act for the relief of Paul E. Milward;

H. R. 1747. An act for the relief of the Utica Brewing Co.;

H. R. 2769. An act for the relief of Tennessee C. Batts;

H. R. 3363. An act for the relief of Rodolfo C. Delgado, Jesus M. Laguna, and Vicente D. Reynante; and

H. R. 4182. An act for the relief of the Highway Construction Company of Ohio, Inc.

AMENDING SECTION 3 OF TRAVEL EXPENSE ACT OF 1949

Mr. FASCELL submitted the following conference report and statement on the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1088)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, having met after full and free conference, have agreed to recommend

and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1.

And agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 4. Section 4 of the Travel Expense Act of 1949 (63 Stat. 166; 5 U. S. C. 837) is amended by striking out '4 cents' and '7 cents' and inserting '6 cents' and '10 cents', respectively, in lieu thereof."

And the Senate agree to the same.

WILLIAM L. DAWSON,

DANTE B. FASCELL,

J. ARTHUR YOUNGER,

Managers on the Part of the House.

OLIN D. JOHNSTON,

MATTHEW M. NEELY,

FRANK CARLSON,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1: Reduces the maximum per diem allowance from \$13 per day as proposed by the House to \$12 per day as proposed by the Senate.

Amendment No. 2: Authorizes an increase in the mileage rate for privately owned motorcycles from the present 4 cents to 6 cents and for privately owned automobiles or airplanes from the present 7 cents to 10 cents, when engaged on official business, as proposed by the Senate. No increases in the maximum mileage rates were proposed by the House.

There was considerable discussion among the conferees on whether a per diem rate of \$12 or \$13 was fair and equitable. The House managers pointed out that the information presented to it in hearings and reports from the Bureau of the Budget and various agencies indicated that the higher figure would be warranted. The Senate managers noted, however, that the military had already been given an increased per diem rate for travel expenses to \$12 and it would be preferable to have a uniform rate as between civilians and the military. The House managers believed that with the actual expense proviso in the bill any serious problems of inequity could be cured.

Although the House had received no information to show the need for an increase in the mileage rate for privately owned automobiles and motorcycles, the Senate felt such an increase was necessary.

The House, therefore, recessed in these two particulars.

WILLIAM L. DAWSON,
DANTE B. FASCELL,
J. ARTHUR YOUNGER,
Managers on the Part of the House.

SUPPLEMENTARY APPROPRIATION BILL TO BE CONSIDERED THURS- DAY, JULY 14

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it be in order to take up the supplementary appropriation bill on Thursday next.

Mr. TABER. Mr. Speaker, reserving the right to object, I understand this bill will be reported tomorrow.

Mr. CANNON. It will be reported tomorrow.

Mr. TABER. And that it will give the membership time to check it over and see what it contains.

Mr. CANNON. Yes. Hearings are already available.

Mr. TABER. That will be all right.

Mr. MCCORMACK. Mr. Speaker, as I understand it the gentleman wants this bill programed for Thursday.

Mr. CANNON. If agreeable to the House, the 3-day rule to the contrary notwithstanding.

Mr. MCCORMACK. The gentleman did confer with me and my inquiry is made so that the membership of the House will understand that this bill will come up on Thursday.

Mr. CANNON. We expect to report out the bill tomorrow which will allow a day for the Members to look it over and we would like to take it up on Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

COMMITTEE ON WAYS AND MEANS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file reports on the bills H. R. 7201 and 7205.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. YATES asked and was given permission to address the House for 1 hour on tomorrow, following the legislative program and any special orders heretofore entered.

Mr. POWELL (at the request of Mr. MCCORMACK) was given permission to address the House for 30 minutes on July 26 and on July 27, following the legislative program and any special orders heretofore entered.

AUTHORIZING COMMITTEE ON POST OFFICE AND CIVIL SERVICE TO CONDUCT STUDIES WITH RE- SPECT TO CERTAIN MATTERS

Mr. TRIMBLE, from the Committee on Rules, reported the following privi-

leged resolution (H. R. 304, Rept. No. 1089), which was referred to the House Calendar and ordered to be printed:

Resolved, That the Committee on Post Office and Civil Service, acting as a whole or by subcommittee, is authorized to conduct full and complete investigations and studies with respect to the following matters within the jurisdiction of the committee:

(1) The transportation and distribution of mail, including—

(A) the transportation of regular mail by air;

(B) the discontinuance of post offices and rural routes; and

(C) the utilization of common carriers and other facilities for the transportation of mail;

(2) Actions taken and procedures followed with respect to the classification and appointment of postmasters, officers, and employees in the postal field service;

(3) General administration and management in the Post Office Department and the postal field service;

(4) Fiscal administration and management in the Post Office Department and the postal field service;

(5) The mailability of articles and printed matter generally, including, among other things, the mailing of unsolicited articles with requests for payments or contributions;

(6) The application and effect of the laws, rules, and regulations relating to the management of civilian personnel of the Federal Government, including—

(A) the operation and effect of Executive Order No. 10577, dated November 22, 1954, and effective January 23, 1955, relating to the establishment of a new appointment system for the competitive civil service;

(B) the operation and effect of the provisions of the Federal Employees' Uniform Allowance Act, as amended, the provisions relating to premium compensation contained in the Federal Employees' Pay Act Amendments of 1954, and other provisions of the act of September 1, 1954 (Public Law 763, 83d Cong.);

(C) methods of, and limitations on, (i) job classification, (ii) appointments, (iii) assignment of positions to schedules A, B, and C, (iv) distribution of positions in grades GS-16, GS-17, and GS-18, and (v) separation of employees; and

(D) the desirability and effect of the limitations imposed by law on the performance of personal services within the Federal Government and the extent to which such limitations have caused the Federal Government to enter into contracts, agreements, or arrangements for the performance, by and through sources outside the Federal Government, of administrative and management services;

(7) The operations of the United States Civil Service Commission;

(8) Administrative actions and procedures pursuant to the provisions of the Classification Act of 1949, as amended;

(9) Practices and procedures of the United States Civil Service Commission and the departments, agencies, and independent establishments of the Government relating to the examination of applicants for civilian positions in or under the Federal Government;

(10) Actions taken and directives issued as a result of the investigation and study, conducted by the committee under authority of House Resolution 32, 83d Congress, with respect to dual supervision of civilian employees in or under the Department of Defense;

(11) Dual supervision of civilian employees, creation of positions, number of positions, and other matters relating to conservation of manpower, in such departments, agencies, and independent establishments of the Federal Government as the chairman of the committee may designate; and

(12) The organization, management, and operations of the Bureau of the Census in the Department of Commerce: *Provided*, That no such investigation or study by the committee shall duplicate any investigation or study which is being conducted by any other standing committee of the House of Representatives.

The committee shall report to the House (or to the Clerk of the House if the House is not in session), at such time or times during the present Congress as it deems appropriate, the results of its investigations and studies, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution, the committee, or any subcommittee thereof authorized to do so by the chairman of the committee, is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member of the committee designated by him and may be served by any person designated by such chairman or member.

COMMITTEE ON PUBLIC WORKS

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have permission to sit today during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

SPECIAL ORDER GRANTED

Mr. SIEMINSKI asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

MUTUAL SECURITY APPROPRIA- TION BILL, 1956

Mr. PASSMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7224) making appropriations for mutual security for the fiscal year ending June 30, 1956, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited not to exceed 3 hours, one-half to be controlled by the gentleman from New York [Mr. TABER], and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

GOVERNMENT EMPLOYEES TRAVEL EXPENSE ALLOWANCES

JULY 11, 1955.—Ordered to be printed

Mr. FASCELL, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 6295]

The committee of conference, on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 4. Section 4 of the Travel Expense Act of 1949 (63 Stat. 166; 5 U. S. C. 837) is amended by striking out '4 cents' and '7 cents' and inserting '6 cents' and '10 cents', respectively, in lieu thereof."

And the Senate agree to the same.

WILLIAM L. DAWSON,
DANTE B. FASCELL,
J. ARTHUR YOUNGER,
Managers on the Part of the House.

OLIN D. JOHNSTON,
MATTHEW M. NEELY,
FRANK CARLSON,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1: Reduces the maximum per diem allowance from \$13 per day as proposed by the House to \$12 per day as proposed by the Senate.

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There was considerable discussion among the conferees on whether a per diem rate of \$12 or \$13 was fair and equitable. The House managers pointed out that the information presented to it in hearings and reports from the Bureau of the Budget and various agencies indicated that the higher figure would be warranted. The Senate managers noted, however, that the military had already been given an increased per diem rate for travel expenses to \$12 and it would be preferable to have a uniform rate as between civilians and the military. The House managers believed that with the actual expense proviso in the bill any serious problems of inequity could be cured.

Although the House had received no information to show the need for an increase in the mileage rate for privately owned automobiles and motorcycles, the Senate felt such an increase was necessary.

The House, therefore, receded in these two particulars.

WILLIAM L. DAWSON,
DANTE B. FASCELL,
J. ARTHUR YOUNGER,
Managers on the Part of the House.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 13, 1955
For actions of July 12, 1955
84th-1st, No. 117

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HIGHLIGHTS: House agreed to conference reports on travel expense allowance bill and forest mining bill. House committee reported supplemental appropriation bill and bill to provide retirement credit for certain State service. House passed farm credit bill. Reps. Cooley and Hope introduced bills to provide credit for low-income farmers.

HOUSE

1. TRAVEL ALLOWANCE. Agreed to the conference report on H. R. 6295, the per diem allowance and mileage allowance bill (p. 8853).
2. MINING; FORESTS. Agreed to the conference report on H. R. 5891, providing for multiple use of the surface of the same tracts of the public lands (p. 8853). This bill is now ready for the President.
3. APPROPRIATIONS. The Appropriations Committee reported without amendment H. R. 7278, the supplemental appropriation bill, 1956 (H. Rept. 1116) (pp. 8856, 8905). The bill includes the following items of interest to this Department:

Rural development program (for low-income farmers), \$33,000,000, as follows: ARS, \$380,000; FES, \$1,285,000; SCS, \$150,000; AMS, \$250,000; OGC, \$36,000; Office of the Secretary, \$19,000; Information, \$30,000; and Farmers' Home Administration as follows: Appropriation, \$850,000; production and subsistence loans authorization, \$15,000,000; and small-farm development loans authorization, \$15,000,000.

The committee report states that this program is to assist low-income farmers "through improving production and marketing practices, by shifting from full-time to part-time farming, by encouraging off-farm employment wherever possible, and by appealing to local states and communities to help at the local level..." The report states: "With some misgivings, the Committee is approving the full amount requested, since the serious plight of the farmers throughout the country is such as to require the encouragement of every action which may help, even if only in a small way... The committee is going along with the President's proposal in the hope that it will enable him and the Secretary of Agriculture to recognize that reductions in the level of price support, without proper provision for meeting increased farm costs, and reduced acreage made necessary by failure of the Department to sell in world markets at competitive prices, are the factors which are creating the very conditions which they hope to correct..." The report recommends (1) adoption of "a plan which will maintain reasonable prices for agricultural commodities" and (2) "that agricultural commodities acquired by the Commodity Credit Corporation as a part of a price-support program are sold on a truly competitive basis..." A number of examples are given in an attempt to show that "while the Department holds a convenient price umbrella over world production, American financial interests have increased their production in foreign countries as fast as the American farmers have been reduced at home. And such interests are well represented on Department of Agriculture advisory committees and in organizations which advocate the present policy of holding U. S. farm production off world markets at competitive prices."

Regarding the research and extension items, the committee report points out recent increases in the programs and states: "The Committee is in full sympathy with these programs...a majority of the members of the Committee have some doubt as to whether their continued expansion is a satisfactory solution to the present difficulties of low-income farm families..."

The report includes the following statement regarding the Farmers' Home Administration items: "The Committee has...been disturbed by recent efforts of the Department to reduce the loan funds for this agency and reduce its supervisory activities. The record will show that Congress has consistently provided funds beyond the levels requested by the Department in recent years. The Committee has questioned recent efforts of the Department to curtail and eliminate county offices, and to set up district offices as a substitute for the county and state offices. It believes that visits of district supervisors will tend to give less actual aid to rural low-income families, because the county supervisors will tend to wait for the district supervisor to make decisions. The Committee has always believed that close direct contact with rural families is essential to their success in making a living on the farm, and the county supervisor is in the best position to render such service."

The report states that the bill provides for the extension funds to be distributed on the existing basis, since the committee "lacks authority to waive present formulas in the basic law..."

Authorization for use of \$25,000 for an ARS building at Miles City, Mont., to replace an equipment repair shop destroyed by fire.

Authority to use not to exceed \$5,000,000 of the ACP appropriation for the fiscal year 1955 to meet emergency drought conditions in the southern great plains by assisting farmers to carry out emergency wind erosion control measures, including the planting of emergency crops to hold the soil.

Authorization of a CCC sales manager at GS-17.

Permission to use certain appropriations for uniform allowances as authorized by the act of May 13, 1955.

Under Federal Civil Defense Administration, the bill appropriates \$8,650,000 (Budget estimate, \$13,000,000) to initiate a program to obtain detailed evacuation, shelter, and other operational plans and related research

passing of one who served honorably and well my Third District of Maine in the 73d Congress.

On the last day of his 83d year, Hon. John Gregg Utterback, of Bangor, Maine, departed this life while still appearing to enjoy the physical and mental vigor which distinguished him throughout his career as a businessman and leading Democrat of his time.

Born in Franklin, Johnson County, Ind., July 12, 1872, he brought to our time the best of what is sometimes slightly referred to as "horse and buggy days." During the last half century the name of Utterback has become well and favorably known in Maine, where your late colleague engaged in the retail sale of carriages and, as progress overtook our State, in the sale of automobiles and fine leathers. Enjoying the confidence and esteem of his fellow citizens, and having a strong sense of civic duty, Mr. Utterback served his city, State, and district in those positions of responsibility where satisfaction must be in service well done rather than the financial return. A Democrat, he was councilman, alderman and mayor of the city of Bangor, usually a Republican stronghold, and was chosen as delegate to the Democratic National Convention in 1932, the year he was elected Representative to Congress from Maine's Third District, remaining here for one term only. Appointed United States marshal in 1935, he resigned in 1944, and with his sons engaged in extensive business enterprises in his home community.

A handsome man of pleasing personality and gracious mien, the late John G. Utterback will be sorely missed by a large circle of friends in every station of life. It was not my fortune to know him well, but that he gave to his family, his party, and his country the best of his recognized abilities and devotion is well known to all of us.

Friendly sympathy is extended to his widow and children with deepest sincerity this day.

Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. McINTIRE. I am glad to yield to the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, I am very sorry to hear of the death of my good friend, John Utterback. While he served in this body for but one term, he made a marked impression upon his colleagues of that particular Congress. He was a remarkable gentleman, a strong personality. He was a very sincere and devoted representative of the interests of his people. He served the people of his district and the people of the State of Maine with sincerity, with character, with ability, and in a most effective manner, obtaining unusual results during the 2 years he served in this body.

I join with the gentleman from Maine [Mr. McINTIRE] in extending to his loved

ones my deep sympathy in their bereavement.

Mr. HALE. Mr. Speaker, I am saddened to learn this morning of the death of John Utterback, of Bangor, Maine, who represented the Third Maine District in this body in the 73d Congress.

Mr. Utterback was born in Indiana in 1872, came to settle in Bangor in 1905, entered business there, served on the city council, and was mayor of the city in 1914 and 1915.

After his service in the House of Representatives, he was named United States marshal for the State of Maine and served in that office from 1935 through 1944. It was in his capacity as marshal that I had occasion to see Mr. Utterback most frequently.

He was a modest man who served diligently in every post that he ever held. He was much esteemed in Maine and his death will be widely mourned. I extend my sympathy to his bereaved family.

GOVERNMENT EMPLOYEES' TRAVEL EXPENSE ALLOWANCE

Mr. FASCELL. Mr. Speaker, I call up the conference report on the bill (H. R. 6295) to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 11, 1955.)

Mr. FASCELL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to; and a motion to reconsider was laid on the table.

AMENDING THE ACT OF JULY 31, 1947, AND THE MINING LAWS TO PROVIDE FOR MULTIPLE USE OF THE SURFACE OF THE SAME TRACTS OF THE PUBLIC LANDS

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (H. R. 5891) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 11, 1955.)

The conference report was agreed to; and a motion to reconsider was laid on the table.

THE DIXON-YATES CONTRACT

(Mr. ABERNETHY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ABERNETHY. Mr. Speaker, the Dixon-Yates contract which was born in secrecy and nurtured in darkness is dead. What it will cost the taxpayers to bury it we do not yet know. It is likely to be considerable.

We would have thought that the administration in its confession of error could have made it with some modicum of grace. That was not the case. In ending the Dixon-Yates contract the administration has sought to impose on the city of Memphis a stipulation which continues to demonstrate its malignancy toward the Tennessee Valley Authority.

The administration, we learn, is demanding that if the city of Memphis is willing to construct its own electric power plant, as it has demonstrated it is, that plant must be cut entirely out of the TVA system.

The administration is trying to enforce a rule whereby Memphis and its power plant is to be cut bodily away from TVA.

This is a strange thing. It is an absolute reversal of the plan for the Dixon-Yates plant which was to produce power to be fed directly into the TVA system.

To demand that a wall be constructed and maintained between TVA and the new Memphis plant will weaken both. And that is precisely what the administration wants. As the price of abandoning the ill-starred Dixon-Yates plant the administration demands that Memphis now build a wall around itself. It demands that no matter what the future needs of itself or the TVA or other communities in the TVA area, that the Memphis plant shall not be connected with the power lines of the TVA. No matter what emergency might arise power could not flow from one system to the other.

This demand goes against common sense. It goes against common practice. It is born out of common malice.

It is common practice not only in the TVA area but throughout the United States for power systems to be interconnected to form a grid. In the TVA area the transmission system is connected directly with a number of privately owned transmission systems. This enables the unimpeded transfer of power from one system to another. This is the normal and efficient means of meeting emergencies in the demand for power. It is such an interconnection between the new plant of the city of Memphis and the TVA system which President Eisenhower seeks to forbid.

The administration was defeated in its effort to superimpose the Dixon-Yates plan on TVA. It became afraid of the political consequences of defying the people of the TVA area and those people the country over who have taken pride in its work. It became afraid of the political consequences of the revelations

which are now taking place as to the genesis of the Dixon-Yates contract. It sensed the growing public outrage with the revelations of the secret finagling by New York bankers and officers of the Budget Bureau and the Atomic Energy Commission. Yet it could not bring an end to Dixon-Yates without one more effort to damage the TVA and the city of Memphis.

The condition demanded by President Eisenhower that the power system of Memphis be walled off TVA cannot and must not be allowed. If the present administration insists on such a condition, it will bring upon itself the same condemnation which it suffered from its attempt to foist the Dixon-Yates contract on the people of this Nation. We will not stand for it.

DEMOCRATS' TWO-FACED FOREIGN POLICY

(Mr. DEROUNIAN asked and was given permission to address the House for 1 minute.)

Mr. DEROUNIAN. Mr. Speaker, in a few days President Eisenhower leaves for the top level, Big Four Conference. He goes with the full support of Congress. He goes with the overwhelming well wishes of the American people. They are united behind him in his coming efforts for peace as perhaps never before.

The coming conference, to all decent, honest men, is above party politics. They know for the good of America, it has to be.

There is apparently one lone dissenter. There is one man who apparently believes that this is the moment to cross the seas, land in Europe, and undermine with doubt the unity and solidity of our allies on which so much depends.

This man is the laughingly called Honest Ave Harriman.

Let me quote what he recently said in London:

The American people are disillusioned with President Eisenhower's policies.

That is an untrue statement, as every Member of this body knows.

This is as much as saying that in his journey to Geneva, the President goes unsupported by the American people.

This is a deliberate misrepresentation of the facts. This is pure politics at its worst.

Could this statement have been made in sheer stupidity? Harriman is supposed to have at least average intelligence. He is supposed to be an experienced diplomat. He was one of the master caller-of-the-shots at the now infamous Yalta Conference.

I guess Harriman has started his campaign for the Presidential nomination in 1956. With calculation and deliberateness, he apparently is trying to undermine Dwight D. Eisenhower, at the cost of world peace, if necessary, in order to gain his own selfish, political ambition.

And how about the lofty support the Democrats claim they give our President in his foreign policy? Once before, the former Democratic national chairman, Steven Mitchell, torpedoed our effectiveness at a conference by saying it would be a failure, even before our Secretary of

State had left the United States. Now there are no less than two foreign policies for the Democratic Party. Is it not time that they agreed on one?

ECONOMIC SITUATION IN 1954

(Mr. LATHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include a newspaper article.)

Mr. LATHAM. Mr. Speaker, today's newspapers carry the disclosure that complete records of the Commerce Department show the 1954 recession to have been only half as severe as previously reported.

Members of this body have heard—from the moaners and groaners—much of this "recession." Some of the doomers even warned that the recession—that almost was not—actually heralded a coming depression so severe as to endanger the Nation's economy.

To most of us, yesterday's Commerce Department announcement came as a confirmation of our faith in the American way. A careful look at more complete records has cut in half the previous production loss estimates for the year of 1954 and proved that the transition from a war economy to a peacetime economy was accomplished with a minimum of economic disruption.

The Commerce Department report said the Nation's total production of goods and services hit a record annual rate of about \$375 billion in the first quarter of this year and continued to climb substantially in the second quarter to an estimated new record level of about \$380 billion.

The upward revision of the 1954 production record resulted in a new estimate for the last quarter of 1954 of \$367 billion compared with the old estimate of \$362 billion.

Embarrassing as it may be to political enemies of the administration, it is nonetheless heartening to most of the American people to find that a nation at peace can also reach new heights of prosperity, and the outlook ahead is even brighter.

Mr. Speaker, I include an article from the first page of today's Washington Post and Times Herald:

BUSINESS PEAK FOUND HIGHER THAN EXPECTED—NEW STUDY ALSO SHOWS 1954 RECESSION WAS Milder THAN REPORTED

(By Frank O'Brien)

The Commerce Department said yesterday the 1954 recession was only half as severe as it previously reported, and recovery this year is carrying the economy to peaks higher than previously suspected.

The Department said the Nation's total production of goods and services hit a record annual rate of about \$375.25 billion in the first quarter of this year, and in the second quarter continued to climb substantially.

This would indicate a further increase of something like \$4 billion in the annual rate of production during April, May, and June, to a new record level of nearly \$380 billion.

The new gross national product report was based on more complete information than was available when the Commerce Department's previous report was published in May.

It was further influenced by an analysis issued late this spring by the Internal Revenue Service, on corporate and personal income during 1952. This gave the Commerce

Department new benchmarks against which to measure and assess its 1954 information.

The outstanding results of the revision were:

Total economic activity fell off by approximately \$4 billion, from a level of \$364.5 billions in the boom year of 1953 to \$360.5 billions in the recession year of 1954, a production loss of just over 1 percent.

This cut in half the previous production loss estimate during the recession.

The upward revision of the 1954 production record resulted in a new estimate that in the last quarter of 1954, when production was reviving, the economy was producing goods and services at an annual rate of \$367.1 billion, compared with the old estimate of \$362 billions.

STATE GOVERNMENTS AND UNEMPLOYMENT INSURANCE

(Mr. CURTIS of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CURTIS of Missouri. Mr. Speaker, all too often the jeremiads of modern prophets are forgotten in the unpredicted sunshine of the present. I think it is important to refer now and again to the predictions of business recession and vast unemployment made by the New Deal wing of the Democratic Party when they were intent on scaring up enough votes to defeat the Republican congressional candidates. It is important because enough people were frightened by these false prophecies so that many Republican candidates were defeated. It is important that the people be kept mindful that these prophets are not to be completely trusted.

And so on July 8, 1954, we had on the floor of the House for debate H. R. 9709, a bill to extend and improve the unemployment-compensation program. The statements and predictions of certain Democratic leaders who were definitely not supporting President Eisenhower's program in this matter, as they have not supported it in so many other matters, is well worth reading. The debate begins on page 9490 of the CONGRESSIONAL RECORD of that date.

Aside from the gloom and doom predicted, which was not forthcoming, these prophets were accusing the administration of—let me quote Congressman DINGELL:

The administration has completely side-stepped its responsibility * * * in that it has expressed its concern about insufficient insurance payments both as to size and duration, but has recommended to the States that they take action to correct the deficiencies. "Buckpassing" in typical Army style comes naturally in this administration (p. 9495).

Congressman FORAND said—page 9496:

They have become very successful in playing both ends against the middle—

Referring to the opponents of adequate unemployment insurance—

and take full advantage of the situation which the present administration has got itself into by insisting that improvements in payments and their duration should be made at the State levels.

The issue, of course, was whether this administration was to change the basic Federal-State relationship in the unem-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS. Senate agreed to conference report on travel expense allowance bill. Senate committee reported reserve forces bill. Both Houses agreed to conference report on public works appropriation bill. House agreed to Senate amendment on livestock loans bill.

SENATE

1. TRAVEL ALLOWANCE. Agreed to the conference report on H. R. 6295, the travel expense allowance bill, which generally increases maximum subsistence allowances from \$9 to \$12, and maximum mileage allowances from 4 and 6 cents to 7 and 10 cents (pp. 8924-5). This bill will now be sent to the President.
2. RESERVE FORCES. The Armed Services Committee reported with amendment H. R. 7000, to provide for strengthening of the Reserve Forces (S. Rept. 840) (p. 8916).
3. ELECTRIFICATION. Sen. Langer inserted a James Valley (Edgeley, N. Dak.) Electric Cooperative, Inc., resolution favoring the proposed Hells Canyon Dam, and opposing the Hoover Commission recommendations regarding REA (p. 8911).
4. WHEAT; PRICE SUPPORTS. Sen. Langer inserted resolutions of the McKenzie (N. Dak.) County Farmers Union favoring 90 percent of parity for basic commodities and a two-price plan for wheat (pp. 8911-2).
5. WATER RESOURCES. Conferees were appointed on H. R. 3990, to authorize the Interior Department to investigate and report to Congress on the water resources in Alaska (p. 8948). House conferees were appointed July 11.

6. BONDING EMPLOYEES. Passed as reported H. R. 4778, to provide for the purchase of bonds to cover officers and employees of the Government (p. 8951). The bill authorizes the heads of departments and agencies of the Government to purchase bonds for officers and employees out of appropriated funds.
7. NOMINATION. Received the nomination of Marion B. Folsom, of New York, to be Secretary of Health, Education, and Welfare (p. 8962).
8. LEGISLATIVE PROGRAM. Sen. Clements announced that the military reserve bill will be considered today and that it is hoped the defense production bill will be considered next Tuesday (p. 8954).

HOUSE

9. APPROPRIATIONS. Both Houses agreed to the conference report on H. R. 6766, the public works appropriation bill, which provides funds for the AEC, the TVA, certain functions of the Interior Department, and civil functions of the Army (pp. 8971-3, 8928-48). The House receded from its disagreement to provisions establishing a GS-17 position for the Budget and Finance Officer in the Interior Department and for the Program Chief in the Corps of Engineers; and receded from its disagreement to the amount of funds for the Lewis and Clark Irrigation District and the Buford-Trenton Irrigation District. This bill is now ready for the President.

Both Houses received a message from the President on his approval of H. R. 6042, the Defense Department appropriation bill, in which he states that he will disregard a provision in the bill prohibiting the Defense Secretary from liquidating functions performed by civilian agencies within the Department which could be done by private industry. The President also announced his dissatisfaction with a provision "virtually" precluding the "services from considering the purchase of foreign made spun silk yarn for cartridge cloth." (H. Doc. 218)(pp. 8953, 8996-7, 9005-6.)
10. ROADS. Agreed to the conference report on S. 1464, authorizing the Secretary of the Interior to acquire certain rights-of-way and timber access roads (p. 8973).
11. LOANS. Agreed to the Senate amendment to H. R. 4915, to extend the period for emergency assistance to farmers and stockmen (p. 9002). This bill will now be sent to the President.
12. COMMODITY EXCHANGES. Both Houses received a USDA draft of proposed legislation to amend the Commodity Exchange Act to require contract market to permit delivery of commodities, under futures contracts, at delivery points and locational price differentials to be determined by the Secretary of Agriculture; referred to the House Agriculture and the Senate Agriculture and Forestry Committees (pp. 8910, 9007).

FOREST

13. LANDS. Both Houses received a USDA draft of proposed legislation to authorize the interchange of forest lands between the Departments of Agriculture and Defense; referred to the House Agriculture and the Senate Agriculture and Forestry Committees (pp. 8910, 9007).

The Agriculture Committee reported without amendment the following bills: S. 72, to provide that certain lands acquired by the U. S. shall be administered by the Agriculture Secretary as national forest lands (H. Rept. 1169); H. R. 374, to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest (H. Rept. 1170); and with

When the present Congress convened last winter, Senator JOHNSON, beginning just his second term, was majority leader in the upper House, the youngest man ever to hold that office. The Senate is not his first legislative experience. He had served for 10 years before 1948 in the House. Nevertheless, his advance has been extraordinary, and in the majority leadership he has revealed authentic genius in parliamentary maneuver and persuasion.

The political professionals in all factions of both parties have been captivated by the competence of his performance, and the people of the country have begun to join in the admiration he has won from the experts in Washington. Thus the news of his sudden illness at the weekend was a shock to the Nation; the prayer for his speedy recovery is general. His being put out of action for the present is a sharp reminder that the Senate, his party, and the country could not afford to lose him.

For the remainder of the session, Mr. JOHNSON's place will be taken by his chief lieutenant, EARLE CLEMENTS, of Kentucky. Mr. CLEMENTS is himself a legislative technician of uncommon skill. This became apparent to Kentuckians when he served as majority leader of the State senate in 1944. In the National Senate he has lived up to the reputation he made in those days as an astute practitioner of the parliamentary arts. Naturally LYNDON JOHNSON was attracted to him.

[From the Detroit News of July 6, 1955]

LYNDON JOHNSON

Majority Leader JOHNSON's sudden heart attack is not so much a threat to orderly accomplishment of present Senate business as it is a shadow on the future.

He is generally conceded to have given his Democratic followers the best Senate leadership they have enjoyed in a quarter century. For 2½ years he has unified them behind a policy of "reasonable opposition" which has benefited both his party and the Nation's business.

Senator JOHNSON is a refreshing departure from the traditional mint-julep Senator from south of the Mason-Dixon line. It is to be hoped that an ailing heart will not limit so promising a career or interfere with the equilibrium he has brought to the world's greatest deliberative body.

[From the Toledo Blade of July 6, 1955]

HARMONIZER

Stricken with a moderately severe heart attack at the age of 46, Senator LYNDON JOHNSON of Texas will have to give up active Senate leadership for the balance of this congressional session. Democrats and administration alike have cause to hope his illness will be of a temporary nature.

Senator JOHNSON has done much to help unify the Democratic Party and to restore the dignity of the Senate. A staunch New Deal supporter during the early Roosevelt administration, he has gradually moved over to a position roughly midway between the liberal and conservative branches of his party. By maintaining close ties with Georgia's influential Senators WALTER GEORGE and RICHARD RUSSELL, while helping northern Senators obtain choice committee assignments, campaigning for them in the 1954 elections, and cooperating with them on many legislative proposals, he has helped bring the party to a measure of unity few would have thought possible during the latter years of the Truman administration.

Impatient with windbaggy and with battles for lost causes, one of the Senator's favorite words is "constructive." And apparently he means it, with due regard for the political interests of his party. Where the Democrats could not accept the Eisenhower program as submitted, he has tried

to work out alternative ways of moving toward the same ends. Because of his settled views about the need for preparedness, moreover, he has been able to cooperate with Mr. Eisenhower on nearly all national defense measures.

Senator JOHNSON has been described as "one of the hardest workers on Capitol Hill," as one who "drives himself at a punishing pace," and as "a man in a hurry." He will have to slow down from here on. But if he makes a satisfactory recovery, his harmonizing talents can continue to serve the Nation well.

[From the Providence (R. I.) Journal of July 6, 1955]

LET'S HOPE SENATOR JOHNSON WILL BE BACK SOON

The immediate regret is that it should have happened to such a thoroughly nice guy as Senator LYNDON JOHNSON; and the hope is that he will successfully pull through a bad heart seizure and return to his career (with bright promise for a man only 46) of usefulness and reputation.

If the country is now traveling on a course of pleasant waters approximating an era of good feeling, a very considerable share of the credit belongs to Senator JOHNSON. He is a practicing professional politician, in the highest meaning of that term, in the sense that it was applied to the late Senator Taft. His sensitivity to the currents of public feeling advised him that under present circumstances it would be political folly for the Democrats to butt antagonistic heads against the wall of favorable popular sentiment that supports President Eisenhower. The cooperation of the Democratic Party with the Eisenhower administration, as engineered by Senator JOHNSON, has smoothed the way for much of the President's program.

It was the brains, the will, and the measured judgment of Senator JOHNSON that were responsible for this situation. This is not to say that the majority leader had turned Republican or lost the spirit of fight, though certain Democrats lamented his amiable cooperation. In his reckoning, it was the best kind of politics, and it placed the Democrats in a strong position when the bombardment really began. The question that arises is whether, with Senator JOHNSON inactivated, succeeding leadership will take the party on another course.

[From the Marshall News-Messenger of July 6, 1955]

JOHNSON CAN MAKE MOST OF ADVERSITY

From all parts of the Nation, sympathy has found its way to Mrs. Lyndon B. Johnson on the occasion of the heart attack suffered by Senator JOHNSON.

Mrs. Johnson, the former Miss Lady Bird Taylor, of Karnack, asked that his friends pray for the Senator's recovery. This they already had done from the moment they heard of his suffering the attack.

Perhaps none in Washington had driven himself to the extent the Senator had moved this year in Washington reconciling differences among party factions, leading a Democratic majority along bipartisan lines with a Republican President, and steering legislation through the Senate.

None moved with such rapidity. None worked more tirelessly. None sought to heal political wounds. None took his work more seriously.

Too, none was more prominently in the spotlight. No less a publication than the U. S. News & World Report only a week before had said the Senator could be on the next Democratic national ticket if he wanted the place. A boomlet had started for him to lead the ticket.

In the meantime, the Senator's friends quietly were working but waiting until 1960, feeling confident that by then the gentle-

man from Texas would be without opposition by the time of the convention and that his being named standard bearer would be but a formality.

Then came the heart attack; but, with it, hospital attendants reported, the Senator was smiling. None doubts the Senator's courage. None doubts his strong, vital physical makeup.

His friends say he will come through; that the heart attack merely will slow his physical efforts; that with the foundation he has built, future physical efforts will yield to mental direction of party affairs.

LYNDON JOHNSON has a way of making the most of any adversity. He becomes stronger with such experiences.

The prayers that he may recover are being offered for a man who is headed with his former Harrison County wife to a residence at 1600 Pennsylvania Avenue—the White House.

[From the Cincinnati Enquirer of July 7, 1955]

A SPEEDY RECOVERY

The country, which has observed with approval Senator LYNDON B. JOHNSON's deft management of his Senate majority along a generally constructive path, will wish him a speedy recovery.

President Eisenhower, in spite of his recent exchange of partisan umbrage, will miss Senator JOHNSON's expeditious maneuvering of legislation toward a vote during the remainder of this session.

What this second indisposition in one session will do to Mr. JOHNSON's prospects for vice presidential nomination is anyone's guess. His admirers have been inflating a considerable boom for him as a running mate for Adlai Stevenson next year. His health may now become a subject for consideration.

The fact is, of course, that, under his deceptively calm and amiable manner, Senator JOHNSON has been working at a killing pace. The taming of the majority, which includes many spirited statesmen, was by no means as easy as it looked.

[From the New Orleans Times-Picayune, July 5, 1955]

THE ONLY ONE, BUT—

Senator LYNDON JOHNSON's incapacity, whether he is considered as Senator or majority leader, is bad for the Senate, no matter what anyone says. He is too good a man to be lost at any time. It is true, however, that his loss to the Democratic Party, at this stage of the 1955 session, does not compare with the loss to the Republican Party in 1953, only a few weeks earlier, of Majority Leader Taft. Nor is it yet apparent that his role in the Senate as a sort of loyal oppositionist leader concentrating more on getting sensible things done than on political pyrotechnics and "Eisenhower-baiting," will be duplicated by Senator CLEMENTS. The latter, as assistant leader, rises almost automatically to the vacant post.

This doubt was expressed, in an indirect way, by Senator HUMPHREY, who asserted that Senator JOHNSON is the "one man able to hold the Democratic forces together in the Senate and move the program along with ease and relative speed." At the same time, he promised Senator CLEMENTS "our wholehearted cooperation." The irony is that it is the New Dealers, represented by these gentlemen, who have really had to be held somewhat in check to prevent the session's becoming a pop-off political rally along the theme that "Ike isn't doing enough" (to spend money, spread socialism, commit exaggerations on the domestic front). At the same time they and Southern Democrats, unlike some Republicans, have done yeoman's work for the President's foreign policies.

Republican Senator Ives is another who says, "The Senate just can't spare LYNDON JOHNSON—a really heartfelt tribute, especially when you consider that Senator JOHNSON never hesitated to take his "lambasting" gloves off whenever Republicans intimated that the Senate, and the Presidential program, not to mention the GOP, could very well spare the whole Democratic membership.

The aim has been for congressional adjournment by the end of July, predicated on winding up the important national measures. It's also possible for Congress to adjourn by the end of July, having done nothing but talk. It's too early to deplore. A hope for the best and for the best in Senator CLEMENTS is decidedly in order.

[From the Buffalo Evening News of July 5, 1955]

SENATE WILL MISS HIM

The serious illness of Senate Majority Leader LYNDON JOHNSON, of Texas, is a loss not only to his party in Congress but to the Senate, and the Nation. Serving in what is undoubtedly the most exacting role on Capitol Hill, he has shown a parliamentary brilliance and a talent both for composing intraparty differences and for expediting the business of the Senate that has rarely been matched in recent years.

In the last Congress, he was nominally the minority leader, but his minority became in fact a bare majority after the death of Senator Taft. Since the start of the present Congress last January, he has been majority leader in name as well as fact and has performed the assignment under the most difficult circumstances possible. As the leader of the majority in opposition to a popular President, he has not only had to choose when to cooperate and when to oppose the administration, but in charting his strategy he has had to carry with him a party normally more divided than united.

That he has succeeded in a way to win praise from every faction in both parties is a measure of the Senate's loss for the rest of this year's session, and also a measure of the Democratic Party's concern lest he be unable to resume his service during the crucial election-year session next winter. We join his colleagues of both parties in wishing him a swift recovery.

[From the Chicago American of July 6, 1955]

JOHNSON'S ILLNESS

The illness of Senator LYNDON JOHNSON strikes at a most inopportune moment. In the 84th Congress, LYNDON JOHNSON of Texas, has been a leader of Republicans as well as his own party.

His support of President Eisenhower has been more effective than that of any Republican. His opposite number on the Republican side, Senator WILLIAM KNOWLAND, of California, has often been opposed to the foreign policies of the Eisenhower administration, but Democrat JOHNSON has been a tower of strength to the President.

LYNDON JOHNSON, in recent months, has often been mentioned as the probable Democratic candidate for Vice President. Democrats, concerned over the defection of Texas in 1952, have regarded JOHNSON as a gift from heaven, a Texan with an exceptionally good record in Congress.

It was believed that his nomination was inevitable, particularly if Gov. Averell Harri- man, of New York, were nominated for the Presidency.

The toll that congressional work takes out of those who really tend to business is greater than the people realize.

It can only be hoped that the present illness of Senator JOHNSON of Texas, will not be the end of a brilliant and useful career.

[From the Oregonian of July 4, 1955]

LYNDON JOHNSON'S ILLNESS

The serious heart attack which has put Senator LYNDON B. JOHNSON, of Texas, out of action for the remainder of the session, at least, is bad luck for the Nation as well as to him and his family. As majority leader of the Senate, the 46-year-old Texan has distinguished himself as an astute and conscientious composer of differences not only between a Democratic Congress and a Republican Executive but among factions of Democrats.

Things have gone so smoothly in Congress under his guidance that a strong movement was developing, particularly in the South, to bring his name before the national convention next year as a nominee for President. This movement will end. The party and the voters would not risk nominating and electing a President with a bad heart. Good health is a top consideration for that grueling post of world responsibility.

In his 18 years of service in House and Senate, LYNDON JOHNSON has won the confidence of his colleagues in both parties. His national stature has increased as he demonstrated temperate and conservative leadership in healing the 1952 breach between Democrat liberals of the North and West and the conservative Democrats of a no longer solid South. His support of President Eisenhower on vital foreign issues, and some domestic programs, and his relations with Vice President NIXON added to his reputation. The Oregonian wishes him a speedy recovery and longer service.

[From the Wilmington (Del.) Journal Every Evening of July 5, 1955]

MAY HIS RECOVERY BE SPEEDY

The heart attack, which felled Senator LYNDON B. JOHNSON of Texas, over the Fourth of July weekend and threatens to keep him out of action for an indefinite period is a heavy blow not only to the Democratic Party but to the Nation as a whole. As majority floor leader, Senator JOHNSON has displayed not only remarkable qualities of leadership but a high sense of responsibility for the welfare of the country. Against the advice of the more violently partisan members of his own party, he has hewed consistently to the line that sound statesmanship is the best kind of politics and that the Democrats stand to gain more by cooperating with President Eisenhower, where his policies are acceptable to them, than by opposing and frustrating him at every turn.

As a result of this leadership Mr. Eisenhower has had remarkable success in getting his legislation through a Congress, particularly in the field of foreign affairs, even though the Democrats have a majority in both Houses. Despite the differences between the two and their fairly frequent clashes, Senator JOHNSON, in his role as leader of a "constructive opposition," has been one of the President's most effective aides. If one of the Texan's major motives has been political—to strengthen the Democratic position for the presidential campaign ahead—there is no doubt that the country has benefited from his type of leadership.

His political opponents as well as his friends join today in hoping that Senator JOHNSON recovers speedily. Fortunately, his work for the current session is largely done. But it will be a serious loss to his party and to his country if he is not able to resume his active leadership again when Congress reconvenes next year.

The VICE PRESIDENT. Is there further morning business?

Mr. CLEMENTS. Mr. President, I suggest the absence of a quorum.

The Chief Clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

AMENDMENT OF TRAVEL EXPENSE ACT OF 1949—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The Legislative Clerk read the report. (For conference report, see House proceedings of July 11, 1955, p. 8775, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSTON of South Carolina. Mr. President, the bill is now in the same form as that in which a similar Senate bill was passed by the Senate and sent to the House. Later the House passed House bill 6295 and sent it to the Senate. The Senate amended it so as to correspond with the bill which had already passed the Senate, and sent it back to the House. There was a conference. The conferees have agreed upon the bill as it passed the Senate, so I do not think there will be any question about approving the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CURTIS. As I understand, the bill involves an increase in per diem and travel allowance for Government employees.

Mr. JOHNSTON of South Carolina. Yes. The increase in the subsistence allowance is from \$9 to \$12. The figure in the House bill was \$13.

Mr. CURTIS. And the Senate version prevailed?

Mr. JOHNSTON of South Carolina. Yes. The Senate allowance for mileage also prevailed.

Mr. CURTIS. What is the figure for the mileage allowance?

Mr. JOHNSTON of South Carolina. The mileage allowances were increased from 4 cents and 6 cents to 7 cents and 10 cents, respectively, to correspond with increases in salaries.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CHAVEZ. As I understand, this bill takes care of travel allowances for Government employees.

Mr. JOHNSTON of South Carolina. It does.

Mr. CHAVEZ. What about committee employees? Does it take care of them?

Mr. JOHNSTON of South Carolina. This bill does not take care of them, but I understand that the Appropriations Committee will deal with that subject. It usually maintains such allowances at the same level as those in the law.

Mr. CHAVEZ. Allowances for committee employees are handled through the Legislative Appropriation Act.

Mr. JOHNSTON of South Carolina. That is true.

Mr. CHAVEZ. As I understand, the bill does not take care of committee staff members who may have to travel on committee business.

Mr. JOHNSTON of South Carolina. It does not, I hope the Senator, who is a member of the Appropriations Committee, will see that this subject is properly handled in the Appropriations Committee.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

Mr. McCARTHY. Mr. President—

Mr. CLEMENTS. Mr. President—

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. CLEMENTS. Mr. President, I have advised my friend from Wisconsin what the acting majority leader's plans are. I am sure that he will share his plans with me.

We have no legislative business to consider today, unless the conference report on the public works appropriation bill is acted upon by the House. It is the plan of the acting majority leader to move a recess subject to the call of the Chair.

It is my understanding that a yeand-nay vote will be taken in the House this afternoon when the conference report on the public works appropriation bill is presented, and that when the necessary formalities are concluded the conference report can be submitted to the Senate and acted upon this afternoon. It is a very important measure. Many Senators expected that it would be acted upon either yesterday or today.

With that explanation to my friend from Wisconsin, I thought perhaps he might advise me what his plans may be. We shall be glad to make every reasonable effort to accommodate the Senator from Wisconsin.

STATEMENT BY SENATOR McCARTHY BEFORE SENATE FOREIGN RELATIONS COMMITTEE

Mr. McCARTHY. Mr. President, I have no plans for speaking today. My plans will depend largely upon what the Senate Foreign Relations Committee does with respect to the two resolutions which are pending before it.

I note the presence in the Chamber of the minority leader [Mr. KNOWLAND] so apparently the meeting of the Senate Committee on Foreign Relations has been concluded.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the statement which I made before the Senate Foreign Relations Committee this morning.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOE McCARTHY BEFORE SENATE FOREIGN RELATIONS COMMITTEE ON SENATE RESOLUTION 126, JULY 13, 1955

Mr. Chairman, I thank the committee for hearing me today. Let me say, first of all, that I am happy the subject of the Communist-enslaved peoples is again before this committee. I think that most of us believed, and we certainly hoped, the subject would get another airing after the unfortunate impression that seems to have spread through the world in the wake of the defeat of Senate Resolution 116.

The question now before the committee is how far, in its opinion, the Senate ought to go in expressing its views about liberation. The committee has before it two resolutions which suggest different approaches to the problem. I trust the committee will permit me to comment on both of them, since they deal with the same problem.

I shall not speak against adopting the Knowland-Clements-George-Wiley resolution: No one can do that and hang onto his virtue. I do think, however, that there is a serious defect in the Knowland resolution, which the committee ought to correct. I believe, further, that the committee should recommend steps for implementing the Knowland resolution, which, I suggest, are the measures called for by my resolution.

The Knowland-Clements-George-Wiley resolution has, as I see it, one glaring omission. As if by oversight, there is no mention of communism, or of the Soviet Union, or of the Iron Curtain, or of any other word that specifies what the resolution is presumably talking about. The omission, of course, was not an oversight; and I urge the committee to do some hard thinking about the reasons for the omission.

I am sure that if Senator KNOWLAND had had his way, the resolution would read quite differently. Perhaps the same is true of the other sponsors. I do not attribute the wording to them. This is an administration resolution, and the reason for the language is very clear: The administration wants to avoid giving offense to the Soviet Union. The administration is, to be sure, indignant over the fate of the captive peoples, but not so indignant as to risk identifying the tyrants by name.

Now, I ask the committee to consider from two points of view the administration's unwillingness to allude to communism. First, from the point of view of whether the Senate still functions as an independent body: Three weeks ago the Senate was told by the administration that we should not recommend that this country secure the Soviet

Union's commitment to discuss the satellites, prior to Geneva. That word was passed down directly to this committee. The Senate acquiesced. Then the Senate was advised that it should not even express its hope that the President would bring up the satellite question at Geneva. Although the President and the Secretary of State were in complete sympathy with the humanitarian objective of my resolution concerning the satellites, the administration said we would to tying the President's hands if we said we hoped he would pursue those objectives. Again, the Senate knuckled under.

Then, we asked—and I refer the committee to the transcript of its hearings on June 21 at the point when I was questioning the Under Secretary of State—we asked if the Senate might not, please, be permitted to express its sympathy with the ultimate humanitarian objective of the satellite resolution. "No," said the administration. "You had better not do that, either." Dutifully, the Senate did not do that, either.

Still, the Senate did have a mind of its own; some Senators were apparently determined to go on record favoring the freedom of the satellite peoples. The administration said, "All right—if you insist. But you must be very careful of the form of words you use. You can have the word 'imperialism,' and also 'despondent.' If you want to work in 'tyranny' that will be all right, too. But we cannot give you 'Communist' or 'Soviet Union'; and you must not mention Geneva and, above all, you must not do anything more provocative than hope for the freedom of the enslaved peoples."

Now I submit that this is no caricature of the administration's relations with the Senate on this question. I urge this committee to give very serious thought to how long the Senate should jump through every hoop the administration puts in front of us. Moreover, I suggest this last instance is pretty clearly a case wherein the Kremlin itself makes the marginal decision. The Senate, let us assume, wants to call a spade a spade and condemn Communist tyranny. The administration, let us hope anyway, would also like for the Senate to do this, but fears that plain language would bring forth an unfavorable reaction from Moscow. The Soviet Union is thus, in effect, given a veto over how the United States Senate expresses itself on the question of the satellite countries.

Now it is clear why a resolution of the KNOWLAND type is not intolerable to the Communists. Words like "imperialism" and "despotism" are not necessarily equatable with "communism"; and in the Communist vernacular, such language can be taken as a condemnation of British imperialism in the Near East, of French "despotism" in Indochina—or, if you please, a condemnation of certain American policies as they are seen in Communist eyes. Such language, in other words, means different things to different people and thus, in real effect, means nothing.

Now, consider this language from the second point of view—that of how it will be received by the freedom-loving people of the world. Generalities like "imperialism" and "despotism" have been selected by the administration because it thought they would be palatable to the Soviet Union. But by the same token these words are hollow and meaningless in the eyes of the people on whom they are supposed to have a propaganda effect. Just to the extent the language of the resolution is tolerable to the Communists, just to that extent it will be useless as a propaganda weapon. Surely none of us is so naive as to believe that the free peoples of the world will fall to catch the

significance of the omission of any mention of communism or of the Soviet Union.

Therefore, I suggest that the committee report favorably on the KNOWLAND-CLEMENTS-GEORGE-WILEY resolution, but with the following amendments: In the first clause of the preamble, substitute the word "Soviet" for the word "totalitarian"; in the second clause of the preamble, substitute the words "the Soviet" for the words "an aggressive"; and in the resolving clause, substitute the words "Soviet despotism" for the words "alien despotism."

I would prefer the word "Communist" to "Soviet"; but this would bring Yugoslavia into the purview of the resolution which, I take it, was not the intention of the resolution's sponsors.

The members of the committee may feel these amendments are unnecessary. I expect to hear the objection that: "Everyone knows we are talking about the Soviet tyranny in the Communist slave states." My answer is, first: if everyone knows this, then surely there is no harm in saying it; and second, that the only reason for not saying it is that it is desired the resolution be ambiguous.

Now let me turn to the resolution I have submitted. As I have said, I see no harm in adopting the Knowland resolution properly amended—provided we do not let the matter drop at that. I said on the Senate floor 2 days ago that "We will make no real progress toward the goal of liberation, nor will we succeed in convincing either the slaves of the tyrants that we mean business, if we content ourselves * * * with pious statements, dripping with humanitarian concern for oppressed peoples, but containing not the slightest hint of concrete measures for unhorsing the tyrants. * * * We invite (the world) to conclude * * * that the American Government's concern for oppressed peoples is a cheap politician's concern about how Americans of Eastern European descent will vote in the next election."

We must, in other words, take positive steps toward the liberation of the captive peoples. I think it goes without saying that we cannot move 1 inch forward so long as we recognize the Soviet puppet governments as the official representatives of the captive peoples. Indeed, every day we do so, we take an additional step backward; for we give just that much additional strength, stability, and dignity to the Communist regimes. It is utterly contradictory for us to talk, as the Knowland resolution does, about hoping that the enslaved peoples shall again enjoy the right of self-determination—while we give official recognition to the very men who are preventing that right of self-determination from being exercised.

I assume the members of the committee do not need to be reminded that these several Communist gangs were handpicked for the job by the Soviet Union—that the "governments" they now dominate were forcibly imposed against the will of the Eastern European peoples. But if we are to consider the question of recognition, I think we have clearly in mind the backgrounds of the puppet regimes. So let me trace briefly the Communist takeovers in each of these countries. This picture is set forth in great detail in the several reports of the House Select Committee on Communist Aggression, published this year. I shall, in some instances, use the Select Committee's language verbatim.

Let us turn first to Poland. When the Nazis drove the Red Army out of Poland in 1941, the Polish Communist Party was split into two segments. One, called the Polish Workers Party, remained in Poland as an underground resistance group, working under direct control of the Kremlin. Its assignment was to set up Communist cells in the loyal underground, to denounce uncooperative elements of the loyal underground to

the Gestapo, and lay the groundwork for postwar control of the government. The second segment migrated to Russia with the Red Army and was set up in Moscow as a planning and propaganda unit.

In July of 1944, after the Red Army had reconquered the eastern half of Poland, the Moscow and the underground units of the party, together with the Red Army, established the Polish Committee of National Liberation. The committee was given "legal and provisional executive authority in all liberated territory." Leaders of the committee were all members of the Moscow section of the Polish Communist Party. The committee proclaimed itself the provisional Government of Poland on December 31, 1944, and then proceeded to cede eastern Poland to the Soviet Union.

This was the government which Roosevelt and Churchill, at Yalta, agreed should form the basis of a new Polish government. The new coalition government was supposed to include non-Communist Poles "from Poland and abroad"; but by June of 1945 most of the leading non-Communists in Poland were dead, in jail, or deported. Out of 24 cabinet posts in the "coalition government," 21 were given to Communists. The Communists were, of course, in complete control. "Free" elections were then called for.

The Communists had control of the administration and the electoral machinery for the election of 1947. They were free to cancel or alter the voting list of the Polish Peasants Party, headed by Mikolajczyk, the leader of the former London government-in-exile. The secret police freely liquidated the opposition. The voting was often by open ballot; it was everywhere conducted under the watchful eye of the Red Army, in polling places manned by Communists. The votes were counted by Communist-controlled election boards.

The rigged elections took place, and the Communists won by a ratio of 15-1. When the new government was formed in February 1947, it did not include a single non-Communist. By May 1949 all anti-Communist leaders were dead, deported, in jail, or had fled the country. Poland was now a helpless Soviet puppet.

The Czechoslovakian Communist Party operated similarly to the Polish Party during the war. In Czechoslovakia, as in Poland, the Soviet Union maintained both a Communist underground in Czechoslovakia and an informal puppet group in Moscow, headed by Klement Gottwald. When the Red Army invaded eastern Czechoslovakia in 1944, a Soviet-inspired liberation movement took control of Slovakia. In 1945, President Benes fled from London to Moscow to set up a coalition government with the Communists.

Let us turn now to Hungary. Communism, as a political movement in Hungary, had been almost nonexistent since the days of the short-lived Bela Kun Communist government of 1919. The Communist leaders selected for Hungary had spent the 26 years preceding the takeover in Moscow under Communist tutelage or in Hungarian prisons as offenders against the peace and security of the state. They returned to Hungary with the Red army, armed with instructions to capture the state.

In January 1945, the Communists launched an intensive but careful campaign for the subjugation of the state. A Communist was appointed to head the Hungarian trade-union movement and promptly usurped all power. Next, the Ministry of Internal Affairs and the control of the police were given to a pro-Communist member of the Peasants Party. While a member of the Smallholders Party became Minister of Defense, the organization, distribution, and command of the army actually rested with the Red army.

All undemocratic elements were screened in the public service, the professions, and private industry. An economic stranglehold

obtained by the removal of Hungarian machinery forced economic cooperation and the establishment of joint Soviet-Hungarian companies.

Feeling safe in their methods and confident of their power the Communists agreed to the popular demand for elections. Surprisingly, however, the Smallholders Party won the national election. It was a brief moment of triumph for the forces of freedom. But the Russians systematically sabotaged the Smallholders government. The party in power was forced to oust deputies to prevent acts of Red terror and preserve what little remained of the Hungarian economy. Under pressure by the forced coalition government, made necessary by Marshal Voroshilov's rulings and the constant threats and sabotage by the Soviet Union, the Smallholders Party was forced into an untenable position.

A general conspiracy charge was leveled at the non-Communist deputies and wholesale investigations were made by the Communist police. Confessions, forged or obtained under torture, began to appear and more and more deputies to disappear. Finally the leaders of the Smallholders Party were arrested and tortured into admitting a conspiracy against the people. Ferenc Nagy, the Premier, left the country in May 1947. Finally the 1949 election had only one single party list of candidates. Following the "elections" Hungary passed behind the Iron Curtain as the Hungarian Peoples Democracy.

In Rumania there were only 750 Communist Party members out of a population of 16 million people, when the Russians entered Rumania on August 23, 1944.

The initial phase was one of military invasion and occupation during which the legal government, intellectuals, and other high government officials were deported or executed. But because the Soviet Union could produce no native Communist capable of holding the premiership, close coalition with Rumanian parties was required.

A coalition cabinet was formed under the leadership of a Rumanian general, Sanarescu. The Communists assumed the Ministry of Justice, Public Works, and Communications and subsequently the Ministry of Interior. All leftwing parties were merged into a National Democratic Front. By virtue of their cabinet posts the Communists had an iron grasp on all railways, food supplies, medicines, and communications.

Communist pressure and manipulation then forced a redistribution of the usable land which effectively destroyed Rumanian food production. It is estimated that between \$1 billion and \$2 billion worth of goods were removed from Rumania by the Soviet Union. This included food, cattle, farm equipment, machinery, etc. With the Rumanian economy smashed the Communists were ready for the next step.

The stage was ready for a fraudulent election. One witness testified that in the village where she lived 100 percent of the people voted against the pro-Communist government coalition, yet the official reports indicated a 90-percent majority for that element. Opposition leaders charged that duplicate ballot boxes had been prepared to be substituted for the legal ballot boxes. Red army soldiers were allowed to vote and trusted pro-Communist elements were permitted to vote 6 or 7 times.

The "free election" of November 1946 gave 3,389,414 votes to the pro-Communist coalition. The way now appeared clear for an open Communist government. But this did not take place. The reason for the Communist delay in taking over became apparent in 1947 when, as a result of Communist looting, the economy of Rumania completely collapsed and grave famines occurred. This was no time for the Communists to make an open declaration of power. But at the height of the famine after securely placing

Public Law 189 - 84th Congress

Chapter 424 - 1st Session

H. R. 6295

AN ACT

To amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Travel Expense Act of 1949 (63 Stat. 166, as amended; 5 U. S. C. 836) is further amended by striking "\$9" and inserting in lieu thereof "\$12"; and by striking the period at the end thereof and adding the following additional proviso: "*: And provided further,* That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed \$25 for each day in travel status."

Travel ex-
penses.
Increase.
69 Stat. 393.
69 Stat. 394.
5 USC 840.

SEC. 2. Section 5 of the Administrative Expenses Act of 1946 (60 Stat. 808; 5 U. S. C. 73b-2) is amended by striking "\$10 per diem" and inserting in lieu thereof "\$15 per diem within the limits of the continental United States and beyond such limits, not to exceed the rates of per diem established by the Director of the Bureau of the Budget pursuant to section 3 of the Travel Expense Act of 1949, as amended (5 U. S. C. 836)"; and by striking the period at the end thereof and adding the following additional proviso: "*: And provided further,* That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949 as amended (5 U. S. C. 840) prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed \$25 for each day in travel status."

SEC. 3. The first sentence of section 1823 (a) of title 28, United States Code, is amended by striking the portion "and if travel is made by privately owned automobile mileage at a rate not to exceed 7 cents per mile, together with a per diem allowance not to exceed \$9 in lieu of subsistence" and inserting in lieu thereof "or, if travel is made by privately owned automobile, at a rate not to exceed that prescribed in section 4 of the Travel Expense Act of 1949, together with a per diem allowance in lieu of subsistence not to exceed the rates of per

62 Stat. 950.
5 USC 837.

diem as described in, or established pursuant to, section 3 thereof".

SEC. 4. Section 4 of the Travel Expense Act of 1949 (63 Stat. 166; 5 U. S. C. 837) is amended by striking out "4 cents" and "7 cents" and inserting "6 cents" and "10 cents", respectively, in lieu thereof.

Approved July 28, 1955.